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Near East/South Asia Report

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NEAR EAST/SOUTH ASIA REPORT

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EGYPT

PARIS PAPER INTERVIEWS MUBARAK

PM171106 Paris LE FIGARO in French 15 Oct 86 p 2

[Interview with Egyptian President Husni Mubarak by Charles Lambroschini in Cairo; date not given]

[Text] [Lambroschini] Your summit meeting with Shimon Peres in Alexandria took place 3 weeks before the government rotation in Jerusalem. Are you afraid that Yitzhak Shamir's arrival in power will have a negative effect on relations between Israel and Egypt?

[Mubarak] We are dealing with a state not with individuals. We signed the 1979 peace treaty with Menahem Begin who was then leader of Shamir's party, and we have made good progress with Peres, the leader of the other big party. I would therefore like to think that, despite this rotation in Israel, we will continue to make progress. I think that the Israelis have shown a degree of flexibility on the Palestinian problem under Peres. And I hope that under Shamir too this trend will continue and that we will be able to make progress toward a general settlement.

[Lambroschini] That was the objective set by the Camp David agreements 8 years ago...

[Mubarak] Precisely, and it is now up to the Arabs to take advantage of this flexibility. All the Arabs ought to unite, and all the Palestinian factions ought to unite. The Palestinians ought to speak with one voice and therefore all the Arabs ought to speak with one voice.

[Lambroschini] Since the Six Day War in 1967 the Arab world has constantly talked about unity. The result is certainly not encouraging.

[Mubarak] I know, I know. In fact we were talking about unity well before that war. All I can tell you is that Egypt is trying. It is trying to make the Arabs understand that unity is the only solution.

Syria's Great Dream

[Lambroschini] In Damascus for instance, President al-Asad seems much more interested in realizing his dream of a Greater Syria.

[Mubarak] Everybody can dream. This does not mean that the dream will become a reality. Before Greater Syria could be created, Lebanon and Jordan would have to agree to disappear. These two countries will never agree to that. Egypt will never agree to Lebanon and Jordan becoming an integral part of Syria. Moreover it is not just Egypt but the whole Arab world which will refuse to allow this. The other governments do not say so openly. But I know this is what they think.

[Lambroschini] Syria also wants to take control of the Palestinian movement.

[Mubarak] Some of the Palestinian militants are on Syrian territory. This does not mean that Syria will succeed in taking control of all the Palestinians. It wants to replace 'Arafat. It is trying to create a new PLO. Syria wants to impose its will on the Palestinian people but human nature is such that this kind of pressure is always rejected.

[Lambroschini] However, the Palestinian problems are also connected with the personality of Yasir 'Arafat, the theoretical boss of the PLO. 'Arafat now seems to be no more than a leader without troops, a meaningless symbol.

[Mubarak] 'Arafat is still the best leader for the Palestinians. He is a moderate and the Palestinians would not be able to agree on another name. The Palestinians' division is not a new phenomenon. 'Arafat has always been in a difficult position.

[Lambroschini] Given that Peres seems to have accepted the principle of an international conference on the Near East, do you think that such a conference can be called in the foreseeable future?

[Mubarak] When you really want to do something you can. The Arabs have been calling for such a conference for 15 years or more. Peres has agreed to it in principle. But if the conference is to be convened, there must be an effort by all sides. This brings us back to the external problem: The Palestinians must unite, the Arabs must speak with one voice.

[Lambroschini] But why allow the wolf into the fold by including the Soviet Union in this conference?

[Mubarak] The USSR is a superpower. We cannot ignore either of the two superpowers. Leaving out the Soviet Union would encourage it to cause problems.

[Lambroschini] Many Arab states accuse the Americans of not having a real policy in the Near East but simply an Israeli policy. Similarly, the Soviet Union only has dealings with the Arabs or rather only with its Arab friends.

[Mubarak] It is true that the United States is more interested in Israel. But let us make it quite clear that the Americans cannot ignore Israel's interests. Once this point has been accepted, the Arabs ought to work with Washington to reach a general agreement. It is also true that the Soviet Union has dealings with certain Arab states, particularly with Syria. However we must be reasonable on this too. If we are not, the Soviets are likely to put forward more obstacles and create difficulties using countries it supports by supplying arms. At present Syria is not playing the game. It is rejecting unity to pursue its national objectives. But the USSR might one day persuade it to change course. That is why the Soviets' presence at the international conference would be so important.

The USSR and the International Conference

[Lambroschini] On what conditions do you think the United States would agree to a conference attended by the Soviets?

[Mubarak] At present it is not a matter of the two superpowers. It is up to the Arabs themselves to make a decision. It is up to the Arabs to start by agreeing among themselves.

[Lambroschini] France has very long-standing relations with Lebanon and its soldiers are now part of the UN contingent deployed in southern Lebanon. But Iran and Syria are trying to rid Lebanon of any foreign influence. They want France to leave and this explains the hostage-taking and the terrorist offensive in Paris. What do you think of this situation?

[Mubarak] France has a tradition of relations with Lebanon and ought not to abandon its relations for any reason. If Damascus or Tehran asks France to leave, I think all the foreign powers ought to withdraw. It should not just be the French but also the Syrians, the Iranians, and the Israelis. They ought all to return home and leave Lebanon to the Lebanese. If the Lebanese were left alone they would be able to solve their problems.

[Lambroschini] Which country do you think is behind the Paris terrorists?

[Mubarak] I do not really know. There are so many rumors. Some rumors implicate Syria, and others Iran. France has not named any particular state. It would take an official statement by your government to tell us any more.

[Lambroschini] But if you, who are one of the main political leaders in the Middle East, do not know who is manipulating the terrorists, how could France discover the truth? In this kind of affair there is rarely any proof, there are just indications.

[Mubarak] If you only have indications you will have to be very cautious. You have to be 100 percent certain. Then you can name the enemy. Then you can denounce the guilty parties before the whole international community. In any case France must reject the terrorists' demands. If you give way, you will merely be in worse trouble. You will never put an end to terrorism.

[Lambroschini] How do you think terrorism can be combatted?

[Mubarak] I delivered a speech in Strasbourg last year in which I proposed that an international system be created for tackling terrorism. I think that the best tactics would be to form a multinational committee which would make a systematic study of terrorism and would adopt countermeasures. We must react with a joint effort, as was done in the past for piracy on the high seas.

[Lambroschini] But how can such a policing body be set up if a number of states regard terrorism as a normal way of achieving diplomatic ends?

No Country Can Live Alone

[Mubarak] No country can live alone, isolated from the rest of the world. International sanctions would be very effective. Look at what is happening with al-Qadhdhafi. Sanctions have had an impact. Libya is suffering greatly in the economic sphere. Countries which thought they could use terrorism to frighten other governments are now seeing that this weapon is being turned against them. France has publicly implicated some of them, and so have Britain. The accused have immediately had to swear that they have never practiced terrorism and will never practice it.

[Lambroschini] Do you think that the U.S. raid on Tripoli has really reduced al-Qadhdhafi's ability to do harm?

[Mubarak] Even before this operation al-Qadhdhafi had ceased to be more than a minor figure in the Near East. Al-Qadhdhafi has been built up by the media. Television offers him a platform and presents him as a kind of hero. He cannot resign himself to being leader of a country of 1.25 million inhabitants. He wants a bigger stage--the world stage. That is why he changed Libya's name after the U.S. raid. He only spoke of "Great Libya" in the same way as Great Britain. He needs to believe that he is a great statesman and a great villain...

[Lambroschini] Egypt is also an African country... However, al-Qadhdhafi is not content with the Near East. He is constantly moving his pawns in Africa--in Chad or elsewhere.

[Mubarak] The Africans have no confidence in al-Qadhdhafi. He has often made promises. He was going to give them money to finance their development projects. But nothing happened. So nobody is impressed by him any longer. In Harare last month he tried to turn the nonaligned conference into a theater. In Uganda he called on the Christians to convert to Islam. When he went to Sudan he insulted Egypt. But he has been criticized everywhere.

[Lambroschini] Surely Syrian President Hafiz al-Asad's imperial ambitions show the same mentality?

[Mubarak] You cannot compare al-Asad and al-Qadhdhafi. Al-Asad is completely different. He is not unstable. I know him very well: he was a friend.

[Lambroschini] But al-Asad has proved both at home and abroad that he is not reluctant to use violence to eliminate those who oppose his policy.

[Mubarak] Brutality is short-lived. It is a policy today but this policy will not last forever.

[Lambroschini] Since we are talking about troublemakers, let us return to the USSR. Moscow does not make do with a diplomatic role. Directly or indirectly using their Cuban friends, the Soviets are deeply involved in the internal problems of many countries in your region, from Yemen to Ethiopia.

[Mubarak] This is the business of the Aden and Addis Ababa governments. Egypt does not interfere in their internal affairs. Moreover we treat the USSR in the same way as the other superpower. Egypt is independent--we accept what we like and reject what we do not like.

[Lambroschini] The Egyptian Government has been opposed by religious extremists for some time. Does this resurgence of fundamentalism worry you?

[Mubarak] Do you not have extremists in your country? Believe me, the situation in Egypt is not as serious as some newspapers and governments claim. We certainly have fundamentalists, but we are dealing with them. They are under control.

[Lambroschini] The dynamism of Islamic fundamentalists is also an expression of frustration. If the economic situation was better your compatriots would probably be less tempted to return to the past.

The Temptation of a Return to the Past

[Mubarak] The economic situation is, of course, our essential problem. And this is why we are devoting most of our efforts to it. I inherited great problems. The country's whole infrastructure was in ruins: electricity, the sewage system, housing, and railroads.

Agriculture was functioning badly. Industry was too old. But this year we will complete our 5-year plan. We have therefore broken our first record. In December 1981 Egyptian power stations were able to generate 18 million megawatts. That was all we had achieved since 1906. We can now generate 38 billion megawatts. We have achieved more in 5 years than had been achieved in 75 years. We plan to invest 4.5 billion Egyptian pounds in Cairo's sewage system. Our sewers were in a deplorable state. Waste water ran in the streets. This problem is now being solved. The first phase of the work will be completed in 1987. A second phase will continue until 1991.

[Lambroschini] Is the population explosion not likely to ruin these efforts?

[Mubarak] Our information effort is starting to bear fruit in this sphere too. The upward curve has been stabilized. There has even been a slight fall this year--from 2.09 percent to 2.07 percent.

[Lambroschini] Surely corruption is another obstacle to your development efforts? Is it not true that a large proportion of the international aid is misappropriated?

[Mubarak] Everything is carefully monitored now. The decision-making power has been centralized. Funds are distributed according to the plan. Nothing is wasted. It is true that things have not always been like this. When I came to power there was general chaos. We are now doing better.

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EGYPT

PRESIDENT MOVES TO REHABILITATE NASIRIST LEGACY

Paris AL-MUSTAQBAL in Arabic 11 Oct 86 p 29

[Article by Yusuf al-Qa'id: "Mubarak Unsheathes the Sword of 'Abd-al-Nasir!"]

[Text] The real surprise in Egypt's commemoration of the passage of 16 years since 'Abd-al-Nasir's death occurred when President Husni Mubarak visited the late president's grave in person, laid a garland of flowers on the mausoleum, shook hands with 'Abd-al-Nasir's family, one by one, and read the first chapter of the Koran.

Mubarak's visit was a surprise in the sense that it was not announced beforehand, even in the official or opposition Egyptian papers issued the same day. Consequently, a cavalcade of foreign journalists did not go there. On the morning of 28 September, when they went to 'Abd-al-Nasir's mausoleum, as they do every year, the Nasirists felt that something was in the wind, when they were surprised to find Marshal 'Abd-al-Halim Abu Ghazalah, the deputy prime minister and minister of defense and war production, going to the mausoleum at an early hour. The astonishment disappeared, however, when office of the presidency security personnel arrived and surrounded the place.

Abu Ghazalah's presence at Mubarak's reception raised many questions in the Egyptian opposition: Did that signify commemoration of the army which launched the revolution, was it because 'Abd-al-Nasir had been a military man originally, or was there some connection, in the distant past, between Abu Ghazalah and the Free Officers' organization?

This was not the first time President Mubarak visited 'Abd-al-Nasir's mausoleum on the anniversary of his death. He appeared at the mausoleum once before, in September 1983. In 1984 and 1985 he delegated the prime minister to appear in his place, because he was away from Egypt.

What was new this time, however, was that President Husni Mubarak sent a letter to the Arab people which was read on his behalf in the letters in the Egyptian media, hailing 'Abd-al-Nasir and the achievements of the July revolution and attacking the opposition in Egypt in a violent manner. However, it was observed that when the president's statement was published the next

day and rebroadcast, the paragraph praising the nationalization decrees was deleted from it.

In addition, official media and government papers appeared, containing talk about July and 'Abd-al-Nasir under large headlines.

On the level of the people, the commemorations held in various areas of Egypt on 'Abd-al-Nasir's anniversary went beyond everything that had been held before. The Nasirist Arab Socialist Party, which is headed by Farid 'Abd-al-Karim, led these celebrations and a commemoration was held in a village of the Governorate of al-Daqahliyah.

The question which imposes itself, however, is: is 'Abd-al-Nasir returning to Mubarak's Egypt, and how?

An observer can follow many interconnected phenomena. At a time when the commemorations of the anniversary of 'Abd-al-Nasir's death were spreading about in this manner, Muhammad Hasanayn Haykal resumed writing in AL-AHRAM, publishing his book about Suez, or at least some chapters of it. It is expected that AL-AHRAM's circulation figures will record a great upsurge.

At the same time, the magazine AL-MUSAWWAR is publishing Ahmad Baha'-al-Din's book "My Conversations with Al-Sadat." Although Ahmad Baha'-al-Din is not a writer who was created by the July revolution, his testimony on al-Sadat ultimately turned out favorable to the July revolution. Moreover, Baha' himself was one of the major writers connected to the Nasirist national dream.

It is also being repeatedly stated in Cairo that a very major political official recently received one of the pillars of 'Abd-al-Nasir's government and a discussion was held on the possibility that a Nasirist party might be established in Egypt, which could take place in a year or less.

Some Nasirist forces are not optimistic about all these developments and consider that a radical change has not occurred but that the basic reason for the transitory Nasirist detente this year is the time at which commemoration of the anniversary of 'Abd-al-Nasir's death occurred in the first place.

The commemoration occurred some days after the meeting between Mubarak and Peres in Alexandria and a few days after the postponement of President Mubarak's trip to America till next year. The commemoration occurred in the framework of a comprehensive boycott of the Egyptian Consultative Assembly elections by the Egyptian opposition and in the face of a state of inflation which is reaching a barbarous level, as far as the Wafd and extremist Islamic groups are concerned. In addition, there is disagreement between Egypt and America.

Three parties did not hold commemorations for 'Abd-al-Nasir this year, the Wafd, the al-Ummah and the Liberals. These are the parties which stand to the right of the National Democratic Party. The paper of the Socialist Labor Party, whose voice was once the loudest of Nasirist voices, came out with the statement that the party was celebrating the commemoration of Ahmad Husayn and 'Abd-al-Nasir jointly.

EGYPT

EVOLUTION OF PUBLIC ATTITUDE TOWARD BRIBERY REVIEWED

London AL-TADAMUN in Arabic 16-22 Aug 86 p 62

[Article by 'Adil al-Jawhari: "The First Scientific Study on Bribery in Egypt: The Objects of Trust Have Taken Bribes and the People with Expertise Have Disappeared"]

[Text] Among the social values which dominated the liberalization phase in Egypt the crime of bribery stood out as a form of administrative corruption which assumed various forms, including embezzlement, theft and perhaps laxity, favoritism, negativism and the loss of the feeling of belonging or the abuse of power. Bribery, however, represents the most prominent of all these forms.

This is part of the massive study the National Social and Criminal Research Center in Cairo has prepared under the supervision of Dr Ahmad Khalifah, director of the center, and more than 15 researchers who are specialized in social sciences.

The study asserted that the definition of "bribery" is subject to particular groups' view of it. Politicians know it through its political effect and economists observe its material effect, while people in the law know it as the commission of crimes against the law. However, there are two kinds of bribes. One is internal, related to the employee's relationships with his supervisors, aimed at realizing material or moral gains; this form became widespread in Egypt during the past 10 years to the point where news about it became constant headlines in the Egyptian papers, nationwide and party papers alike.

The second kind is the external framework of bribery, and is embodied in employees' transactions with the public in exchange for the receipt of specific facilities. This also became widespread in Egypt in the wake of the economic crisis, especially in the area of housing. However, the most conspicuous bribery cases the Egyptian courts are reviewing today are some senior Ministry of Industry officials' receipt of 4.5 million pounds from a German middleman in exchange for facilitating an equipment transaction with Egypt.

The study adds that bribery takes place in numerous diverse forms, including gifts, commissions, tips, payments and moral commitments. In addition to

these, there are two secondary forms, lavish parties and invitations which, in spite of their trivial nature, are nonetheless dangerous because they are remote from people's vision and it is difficult to make arrests and catch people in the process of wrongdoing in such instances.

However, the Egyptian police have managed to crack down on much of this type of bribery -- indeed, the daily papers have talked more than once about bribery activities and crackdowns on them by voice and picture, that is, by video and closed circuit television.

The study notes that all forms of bribery took place under claims of "shrewdness or improvisation," "for heaven's sake he accepted the gift," and similar misleading phrases, which entice people of weak character.

In an attempt to look for a historic basis for the phenomenon of bribery, the study said that after the July 1952 revolution, the forces of the revolution adopted socialist thinking as a style of government, with attendant government control of economic and social institutions, and this led to the inflation of the administrative system. The revolution raised the slogan of "objects of trust before people with expertise," which led to the emergence of administrative corruption.

In spite of the restrictions the revolution imposed on bribery in the sixties, it met with a favorable climate in the seventies, which led to the inundation of public funds in political activities and the corruption of the private sector, which tried to buy everything that could be bought from the administrative system and deprive the administrative system of really competent people.

The study considers that the dangers of bribery on the social plane are prominent when controlling social values are absent, there is a lack of social conscience and spiritual and religious feeling do not exist.

In the legal context, legislation has considered that all crimes of bribery deserve a penalty of life imprisonment but a person following the progress of bribery cases will find that at the same time that the penalty for bribery has risen to life imprisonment, bribery cases have proliferated. The question is, Why?

The answer is because the law has taken with the right hand what it has given with the left; it has given the judge the right to reduce the penalty by one or two degrees, as well as slowing down litigation procedures.

The study recommended a number of ways for remedying the spread of bribery. Among these, in the political context, the study recommends expanding the scope of democracy, people's participation and enhancement of respect for the word of the law, without a minimum of other considerations.

In the economic context, the study demanded that employees' wages be raised to cope with the rise in prices, that the system of bonuses and incentives be amended in a manner which will allow for the compensation of personnel of integrity and that penalties be intensified against all persons committing

the crime of bribery, while giving attention to highlighting every good model and publishing all cases of bribery in the media, so that bribe-takers will be a lesson to those who give pause to think.

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CS0: 4504/23

SUDAN

FAMINE IN BAHR AL-GHAZAL PREDICTED FOR 1987

Khartoum SUDAN TIMES in English 15 Oct 86 pp 1, 8

[Text] THE WORLD'S ATTENTION HAS BEEN FOCUSED ON THE PLIGHTS OF THE FAMINE VICTIMS IN SOUTHERN SUDAN, THANKS TO THE INTERNATIONAL PUBLICITY WHICH SURROUNDED "OPERATION RAINBOW", NOW UNDERWAY IN THE SOUTH. THERE ARE INDICATIONS HOWEVER THAT THE CAUSES OF THE PRESENT FAMINE SITUATION IN THE SOUTH, CIVIL WAR AND THE PREVIOUS SEASON'S DROUGHT ARE CONTINUING AND MAY LEAD TO AN EVEN WORSE FAMINE SITUATION NEXT YEAR, UNLESS SOMETHING IS DONE NOW AND DONE QUICKLY. ACTION MUST BE TAKEN NOW TO AVOID A REPETITION OF THE INABILITY OF BOTH THE NATIONAL GOVERNMENT AND INTERNATIONAL RELIEF AGENCIES TO LAUNCH A REALISTIC PROGRAMME TO SAVE THE HUNGRY.

Most people in Southern Sudan, especially in the countryside depend on subsistent rain fed agriculture for their food. Many times, the local tribal people cultivate surplus which they sell in the towns for cash and other necessities.

Local commodities such as dura, cassava, groundnuts and others are then supplemented with supplies from outside the South mainly dura from the North. This year, and quite likely the next as

well, the local people have not cultivated enough in the same traditional way. They were disturbed during cultivation because their areas became battle fields. Villagers have been forced to abandon their fields and leave their crops unattended to. Crops at an early stage of development. Others at a more mature stage were eaten by pests and birds or even by the forces involved in the civil conflict. The result was that people were

left with nothing to harvest and therefore nothing to eat hence the famine and the likely prospect of this famine continuing into the next year.

Reports from the South indicate that the 1987 food situation could be worse. Most tribal people have been uprooted from their traditional way of life and have prepared nothing for themselves in the months ahead.

We have seen for instance, in Sudan Times' yesterday's issue, how a food producing area like Renk may not be able to produce any food this year because of the insecurity there and the displacement of citizens from their traditional way of life, most of whom are normally engaged in food production. The Renk situation could seriously affect Upper Nile adversely and perhaps even the whole South.

Equatoria which is supposed to be the most peaceful province of the South is not free from problems of

food shortages. Much of Eastern Equatoria is affected by the civil war, resulting in the displacement of tens of thousands of families. Kapoeta District for instance, is virtually out of government hands, except for Kapoeta town itself where a government garrison is under siege by the SPLA. It is a mark of confidence by the SPLA forces in the area that they have set up refugees or displaced persons camps such as Narus in Kapoeta area where they bring in international relief agencies through their own established channels to look after these displaced people. These villagers in the hands of the SPLA or even those who left their villages to seek refuge in the government controlled towns like Kapoeta and Torit have not planted this year and so have no food of their own. If the conflict remains unresolved, they will likely not cultivate next year and will therefore continue to need relief food.

Juba town will probably need continued supplies from outside Southern Sudan. As indicated in our earlier report, only Yei area continues to send a trickle of food to Juba. It is not enough and its continuing flow is not guaranteed. The situation of Juba town is

aggravated by the influx of people from the surrounding villages, mainly of the Bari and the Mundari tribes.

Both the Bari and the Mundari tribes are displaced by the recent conflict which involved the Mundari militia and the SPLA. Armed and supported by the government, the Mundari sought to dislodge the SPLA forces in the Mundari areas. They were defeated last July and were driven to Juba town, bringing with them their cattle and abandoning their crops in the fields. In the wake of the Mundari fleeing to Juba town, the local Bari population also sought refuge in town, abandoning their crops and property.

Now, all these people are creating additional pressures on a town without food and housing. Moreover these tribal people are not used to urban living and are reportedly very unhappy.

The Mundari in particular are said to be unhappy about remaining in the town and have attempted to go back to their tribal areas to resolve things with the SPLA, if that is what it takes for them to return to their homes and lead normal lives.

It is reported however, that the Mundari are being prevented from returning to their homes by the local authorities who say that it is the policy of the central government to let the population leave the countryside to come to towns where the government can look after them and ensure that the SPLA is denied sources of food and support.

Bahr El Ghazal will probably be worse off in 1987. In addition to the problems of Upper Nile and Equatoria, Bahr El Ghazal has had sporadic rainfall and little land has been cultivated at all. Those in Aweil in particular had to contend with the SPLA and the army, as well as the problem of the Marahaleen who have looted their cattle and crops.

Tribal vengeance against traditional rivals is common. Cattle disease has also taken its toll on the livestock of the cattle owning tribes in the South. The picture which emerges from reports in the South is bleak and food must unfortunately continue to be imported from outside Southern Sudan and in increasing quantities as the destitute population grows larger by the day, while the conflict goes on.

SUDAN

DATE TRADE LINKED TO ILLEGAL PRODUCTION OF ALCOHOL

Date Market Boom

Khartoum SUDAN TIMES in English 28 Sep 86 p 1

[Text]

There is a remarkable boom in the dates market in Sudan, inspite of the ban for alcoholic beverages. A sack of dates, which used to fetch a total of LS85 Sudanese pounds is sold today for LS170 Sudanese pounds.

Sudan produces at least half a million tons of dates each year, but it is not an exporter of dates. Small quantities which used to be exported to Egypt have been suspended, so the country consumes all its dates.

Before the ban of alcohol

in 1983, much of the dates were sold to brewery houses for use as sherry and other alcoholic beverages. All the breweries were closed in 1983 with the introduction of Islamic Laws. It was expected that both the consumption and the price of dates would fall as a result.

However, both the price and the consumption of dates have shot up. Not only that, it has been observed that some of the Islamic Banks in the country have been active in the dates market business, offering generous banking facilities

ties to the dates merchants.

There are reports that cottage brewery has mushroomed in the country and that much of the date crop finds its way into this cottage brewing industry, the consumption of whose liquor has been on the rise. It is even suggested that banks which grant banking facilities to this commodity are fully aware of its use. What is clear however, is that Sudanese dates are on an ever increasing demand in the market place.

Islamic Banks Question Role in Date Trade

Khartoum SUDAN TIMES in English 13 Oct 86 p 1

[Text] A number of Islamic Banks in Sudan have begun to question their role on trade in and granting facilities to merchants trading in dates. The bank's Boards of Directors are focusing on the legality from the Islamic point of view of granting facilities to buy or directly buying a commodity or commodities, in this case, dates knowing that it will or could be used in the processing of another final product, in this case alcohol for instance.

The probe is focusing attention on whether or not these banks granted facilities to merchants or even dealt directly in the purchase of Sudanese dates, with the knowledge that these dates will be used finally for the production of totally brewed alcohol. The discussion centres essentially on whether such commercial deals in commodities which are used in the production of other commodities like alcohol which are clearly prohibited under Islamic law are legal or illegal.

Sudan Times had published in its issue the story about Islamic Banks in Sudan dealing in the purchase of and or facilitating commercial deals in dates which are used in the production of locally brewed alcohol.

Three banks have been discussing this matter since it first appeared in Sudan Times. The three banks, Faisal Islamic Bank, Sudanese Islamic Bank and the Bank of Abu Dhabi have all considered the issue and all have requested legal Islamic opinion on the matter before making a final decision.

/9274

CSO: 4500/21

SUDAN

BANKING IRREGULARITIES REPORTED

Khartoum SUDAN TIMES in English 1 Oct 86 p 1

[Text] Banking irregularities and financial manipulations seem to have been the order of the day in the financial world of private commercial banks in the Sudan. These practices permeate all aspects of private commercial banking in the country both Sudanese and foreign. Six banks have already been indicted and six others are to follow this week.

The results of the investigation committee into the commercial banking irregularities show that manipulation of regulations, money, financial forms, licences, commercial banking facility laws and the Central Bank of Sudan's regulations and guidelines have been the methods adopted by almost all the privately owned commercial banks in the country. This is the finding of the committee under the Chairmanship of Tayeb Abdel Mageed. He told the Sudan Times yesterday that there does not appear to be any loophole or any way to manipulate the laws, which these banks have not tried. As a result, Sayed El Tayeb said that almost all the privately owned commercial banks have one case or another against them. "The matter is only a degree of violation", he said, but all of them have violated the regulations, the laws and the financial and commercial practices one way or the other.

As a result, there are cases against almost all of them".

The committee this week opened indictment cases against six commercial private banks and had all the General Managers of these banks arrested and investigated by police. All of them have been released on bail pending trial. These six banks are: Citibank; the Blue Nile Bank; Faisal Islamic Bank; Middle East Bank; National Bank; and Sudan International Bank.

The Chairman of the investigation committee said that the committee is ready to bring indictment charges against six other banks this week and is still investigating others. The six against whom indictment documents have already been made are: Islamic Bank; Habib Bank; Solidarity Bank; Development Cooperative Islamic Bank; Baraka Bank and Sudanese Bank for Popular Development.

The charges against the

banks include destruction of the Sudanese economy, manipulating currency controls; illegally trading in currency, illegally holding foreign currency, manipulation of banking regulations, blatant violation of banking regulations, operating against the directives of the Central Bank of Sudan, ignoring written directives of the Central Bank, violating banking facilities, trading illegally, trading in illegal commodities as well as many more charges. Faisal Islamic Bank was charged in addition with hoarding goods and tax evasion.

It is worth noting that none of the six commercial banks is owned by the state, and which were investigated by the committee, were found to be in violation of all banking regulations.

The investigation committee is to draft a new set of banking laws to regulate banks in Sudan as soon as it completes the indictment of the faulting banks.

IRAQ

BRIEFS

PRIMARY, SECONDARY EDUCATION FIGURES--A firm relationship exists between educational curricula at the primary and secondary levels and comprehensive development programs. This relationship, in brief, manifests itself in the following: The educational programs at these two levels are working to feed students into other academic levels and supply universities and institutes with their requirements for various specializations in accordance with the comprehensive educational policy in the country. The spread of primary and secondary education works to block the channels which feed illiteracy and as a result to rid society of this lethal plague. It will as a consequence result in raising social awareness and assimilation in a better form in the areas of development and society. The educational programs will result in raising the level of workers, which will be reflected in the level of increased incomes and improvement of their living condition. The statistical data available shows that there are more than 8,000 primary schools in the country at present, containing about 3 million male and female students, and about 119,000 male and female teachers are working in them. It is worth pointing out that a prominent manifestation of civilization has appeared in women's participation in primary education to a large degree, since the ratio of female students now amounts to about 45 percent of total students, whereas they had not exceeded 29 percent of the total. By way of comparing that with the number of students at the beginning of the revolution, their number has increased about three times over. As for secondary education, there are 2,238 schools containing more than 1 million male and female students, the share of females among whom is 36 percent (while at the beginning of the revolution it did not exceed 26 percent), and the number of male and female teachers in them comes to more than 35,000. The number of students at this level has multiplied about four times over since the beginning of the revolution. The development of the competence and levels of educational programs and the increase in their absorptive institutions are a brilliant sign of our triumphal course of development and are a challenge to all covetous enemies. [Text] [Baghdad AL-THAWRAH in Arabic 30 Sep 86 p 8]

BAGHDAD RAPID TRANSIT ROUTES--The General Passenger Transport Agency has decided to extend and increase a number of rapid transit routes in Baghdad with the goal of offering better services to the citizens. The director general of the agency has said that a decision was taken to operate a rapid line between the center of the capital and Saddam international airport with

a route going via Vanguard Square, Museum Square, Damascus Street, Arab Knight Square, the Baghdad International Exposition, Abu Ja'far al-Mansur Square, the al-Khutut section, 14 Ramadan Square, the railway-al-'Adl inter-section, al-Rabi' Street, the police tunnel, Worker's Bridge, Airport Avenue and Saddam international airport. He added that the agency has decided to expand the scope of its services and has extended the route of line 89 from its current terminus in al-Amin section to the Martyrs' Home, and has turned line 62 into a circular one in both directions upon arrival at Jordan Square (the police tunnel) and thence toward the route of line 77, Worker's Bridge and 15th street, the onramp facing al-'Asharah al-Mubashshirah Mosque, then the opposite of route 84. It has also been decided to change the route of line 38, with one bus in the morning and evening on a trial basis from al-'Askari Square, al-Sa'dun Street, Saddam the Great Bridge, New Baghdad, the Nursery Bridge, the al-Rustamiyah expressway, New Diyala Bridge, the al-Naddaf Bank and thence the line's regular route on reaching al-Mada'in District. [Text.] [Baghdad AL-THAWRAH in Arabic 30 Sep 86 p 4]

CSO: 4404/29

ISRAEL

RELIGIOUS AFFAIRS MINISTER HAMMER INTERVIEWED

Jerusalem THE JERUSALEM POST in English 26 Sep 86 p 5

[Interview with Zevulun Hammer, National Religious Party minister-designate, by Sarah Honig]

[Text]

THE RECENT emergence of Zevulun Hammer on top of the National Religious Party heap was received as bad news by the Labour Party. Some said so aloud and went as far as to demand revisions of the coalition agreement. Many more in Labour whispered the same sentiments privately.

More than they dislike Hammer, they lament the fall from power of the NRP's Lamifne faction in the NRP and of its strongman Raphael Ben-Natan, an old ally from decades of "historic partnership" between the NRP and Labour. Hammer's detractors in Labour see him as closer to the Likud than Dr. Yosef Burg, whom he is soon due to replace as minister of religious affairs.

Hammer is outraged in his own soft-spoken manner - a curious blend of the tone of a teacher (which Hammer indeed once was) trying to drive a point home to his pupils and of a young boy (who, some say, Hammer still is at heart) painstakingly seeking to convince his teacher.

"This is a patronizing, condescending and even elitist attitude on part of Labour," Hammer told *The Jerusalem Post* this week. "My one hope is that this is not really what the people who count in Labour really think."

"Somehow, I think all the arguments against me are artificially contrived. Perhaps they are raised by people trying to put a last spoke in

the wheels of the national unity government. Perhaps it is one last desperate attempt to foil rotation.

"But this goes deeper. Labour - or those in it who see me as a threat - have awarded themselves the right to disqualify representatives of another party. After all, I was elected by a nearly two-thirds majority of the most democratic, representative and authentic convention the NRP has ever known. This is nothing to scoff at.

"And yet these people decide that they can determine what is good and what is bad. They decide that Dr. Burg is a moderate and that I am an extremist. They know they are distorting the truth.

"If they are right, why did the Likud not disqualify Dr. Burg for pro-Labour leanings? But they did not utter any such nonsense. The Likud knows the NRP is in no one's pocket and Labour should not treat us as a political colony either.

Hammer says the furore over his election puzzles him. "After all, I am no newcomer to politics. I can only protest against the unfair attempt to categorize and label me. How do certain people in Labour know in advance how Dr. Burg or how I would vote on given issues? It is preposterous if Labour assumes it can dictate things. The NRP is no one's satellite party."

Burg's own record in the cabinet, Hammer argues, was not one of a Labour yes-man. Most recently he

voted against a Labour proposal for the establishment of a judicial commission of inquiry into the Shin Bet affair. He was a very senior minister in Likud governments and was accorded a stature which NRP ministers did not get under Labour.

"I would have voted for the pull-out from Lebanon just as he did, and he would support the establishment of new settlements and oppose disbanding settlements, just as I would. We both represent NRP policy, albeit with a different temperament and personality," Hammer says.

But he is also amused. "I think there is unfortunately a lot of exaggeration about the danger I pose. The NRP has only one representative in the government of 25 ministers and no representation in the inner cabinet. I wish we had greater power, but as is, we are not so great a menace."

In Labour it is argued that the coalition agreement was made with the NRP, but that in many senses the party no longer exists. Few may have noticed, but the party's official name was even changed during the recent convention to the National Religious Movement (Tadal instead of Mafdal).

This is a new political creature, it is said in Labour, in which the Matzad faction is especially powerful. Matzad supported Hammer's candidacy, and he is in the debt of this maximalist segment of the erstwhile

Morasha list, the Labour opinion goes.

Hammer, however, points to the fact that he was not Matzad's instant darling. There were plenty of speeches at the convention against his attitude to the Lebanon War and to the Camp David accords. There was even some talk about vetoing his election. Hammer finally won Matzad over, perhaps because he was deemed better than his Lamifne opponent, but in the internal NRP configuration many see him as too dovish.

Has the NRP really shifted rightward? Hammer finds the talk of a "takeover by Matzad ridiculous. The NRP is happy to welcome Matzad back to the fold. It is a flesh of our flesh and separated from us only very briefly. We want to reflect the full variety of religious Zionism and not just a narrow band. That's why Matzad, and all the beautiful things it represents, must be in the party, as well as all the other groups who lent me their support."

Hammer feels that the Labour reaction to some extent stems from the fact that "a new younger generation has taken over in the NRP - a generation of native-born Israelis with broad interests and opinions on national affairs, foreign policy and defence.

"Gone are the days when NRP functionaries seemed to compromise all principles to secure religious services. For these, they felt, they must always be in the coalition, and since the one ruling party was Labour, they must always be in its orbit. The change in the NRP perhaps reflects the change in the nation.

"Perhaps Labour feels that the last internal NRP elections clinch the

trend away from the "historic partnership" with what was the single party of power. Labour's behaviour now will determine whether we can cooperate again. If they try to dictate to us, it will indicate that the lessons of the past were not learned."

Hammer insists he is not the only one wronged. "The categorizers are also doing an injustice to Dr. Burg by intimating that he was their man. The NRP in any case has not gone out of business. The fact that it has symbolically changed its name from Party to Movement, has not altered its essence. Would Dr. Burg in the Tadal have been kosher?"

HAMMER SAYS that "God and the convention have given me a chance to forge a new NRP and I hope I'll be up to the test. Our party plunged from 12 MKs in 1977 to six in 1981 and to four in 1984. Internal disharmony, alienation, the rule of the party machine and the generation gap, all contributed to this. I felt an important party was going under. Those were years of personal distress and agony for me," Hammer confesses.

"On the face of it, it appeared that I was part of the leadership but I had no real political or organizational influence. Some portrayed me as bearing responsibility for the party's failure, while in effect I was seeking to rehabilitate it. I wanted to see if the NRP's public gives me its confidence. This is what now happened. I strove for open, free and unrigged elections in this party. I am glad but at the fact that I won so much confidence."

Hammer describes what happened at the NRP convention as "a

real earthquake in that the formidable party machine is no longer in control. I am not saying the malignant factionalism is eradicated completely. Only time will tell, and there will be no overnight revolution but a slow evolution. Elections are now held by secret ballot, and though a candidate naturally needs group support, it is no longer enough for a few functionaries to fix things in back rooms."

Hammer refuses to say much about the Religious Affairs Ministry before he takes his post there. But he does ask "God for the wisdom and spiritual resources to build bridges between so-called secular and religious Jews.

"There is too much animosity and generalization. There is much variety and nuances on both sides. But we tend to see and judge only the extremes. I would like to see the common denominator of a modern Jewish culture we can all live with. We did not come to this country to escape Judaism, but there must be no coercion."

Does he think he will be minister for long? Will the national unity government, in whose creation the NRP played so crucial a role, survive long after rotation? Hammer thinks "It ought to - at least for reasons of political decency and fair play. Premature elections would be bad for the nation. The next two years, though, will be more difficult and tense than the first. I will be happy if this government lasts, but I honestly don't know if it will." The new minister-designate sighs.

ISRAEL

BETHLEHEM MUNICIPALITY ACHIEVEMENTS, PROJECTS, OBSTACLES

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 30 Aug 86 pp 39-40

[Article: "We Are Working to Sink Another Borehole and Lay our a Public Park and Another for Mothers and Children; We Implemented the Licensing Law and Were Accused of Bias; West Bank and Gaza Strip Will Remain Arab So Long As They Are Inhabited by Arabs"]

[Text] Bethlehem is one of the most important of West Bank towns in view of its location and religious and historical standing. Because of its significance, the town municipality has a special part to play and specific efforts to make to service the urban, construction, tourism, commercial, and municipal requirements of Bethlehem. In order to assess the role of Bethlehem municipality AL-BAYADIR AL-SIYASI addressed a number of questions and queries to Mayor Ilyas Frayj in his office in Bethlehem City Hall, which is a brilliant piece of architecture fronted at the main entrance by fountains spraying water in all direction.

[Question] Can you give us a brief idea about the establishment of the municipality and its present membership?

[Frayj] Bethlehem municipality was established over 100 years ago and has been active throughout since the Ottoman period.

The present municipal council is composed of 11 members. One member died and was replaced by the candidate who received the next largest number of votes cast in the 1976 municipal elections.

[Question] Bethlehem has its own special, religious standing at local, Arab, and universal levels. What is the municipality's role in this regard?

[Frayj] I consider Bethlehem one of the most important cities in the world since it is the birthplace of Christ and is visited by pilgrims from all parts of the world. The municipality offers all kinds of services, particularly in the field of tourism.

[Question] How do you assess tourism this year?

[Frayj] Unfortunately this year's tourist season has not been good. Tourism has been declining since the middle of last year, which has seriously affected the town so well known for its shell-inlaid olive wood work, needlework, and handicraft manufactures sold to tourists.

Now most of these cottage industries--which I do not call industries proper since most of them are family or household operated--are at a standstill, there being no buyers. It is useless to produce when there are no markets or salability. The situation has affected hundreds of households because it reflects, in a general way, on the purchasing power of the city as a whole.

There are about 70 stores selling oriental handicrafts and employing hundreds of workers, employees, and households. Moreover, the income tax department has started an intensive tax collection campaign in this drought-stricken year. I have lodged a complaint and a committee is shortly to be set up to look into the matter in liaison with the Chamber of Commerce, which I shall be representing in my capacity as president.

[Question] What is the acreage of the municipality and how many inhabitants are there?

[Frayj] The municipality covers about 4 square kilometers. In addition to Bethlehem there are three camps, including al-Dahiyshah, for which water supply and municipal services, such as garbage collection and other services, are furnished.

[Question] What projects have been completed during this municipal council's term of office?

[Frayj] I can say that from an urban point of view, Bethlehem has doubled in size in 10 years. We have constructed and paved new roads and provided them with water supply mains and electricity lines. Hotel facilities and high-class restaurants have been increased. We have built the largest marketing center on the West Bank. Roadways constructed total about 25 km long and we now own a lot on which we intend to build schools and set up an industrial estate.

We have also established a fire station and now operate six ambulances, a water bowser, and a 24-hour emergency service. All the ambulances and fire-fighting engines were offered to the municipality as well as up-to-date garbage trucks donated by Germany.

[Question] What future projects do you have in mind?

[Frayj] A sewerage project is very much uppermost in our thoughts. Studies have been completed and we have applied to the ECC. Once we are assured of the community's support we shall start executing the project. I am very happy that we have received Arab support.

At present Bethlehem drinking water is drawn from an artesian borehole and we are now working to drill another. There has been no water supply crisis this year.

[Question] What are the municipality's sources of funds?

[Frayj] We own several buildings, including the one facing the municipality, as well as land which we rent, in addition to taxes collected by the municipality. Our material position is satisfactory and, generally speaking, we are not faced with any difficulties or constraints.

[Question] Is the municipality faced with any difficulties or constraints in general?

[Frayj] The only constraint is not being able to get hold of adequate funds. As mentioned, projects agreed upon by the municipality, which include a 1,000-seat sports arena and a park for mothers and children, cost about \$18 million.

[Question] Are there any parks in Bethlehem?

[Frayj] Unfortunately not. I am thinking of opening up a public park in the Barak area, which is an area of wasteland leased by Jerusalem municipality. We have offered that Bethlehem lease the land from the Waqf, clean it up, and transform it into a public park.

[Question] What have you to say about Bethlehem's model sectarian coexistence in Bethlehem?

[Frayj] In all truth I must say that as a Palestinian and an Arab, I am very proud of and cherish the spirit of coexistence in this city. Bethlehem is a crucible in which all sects and denominations are fused. We have on single motto in this city: "Give religion unto God, and give the city unto all."

[Question] What is the story behind cancellation of the municipal tribunals?

[Frayj] We did not cancel the municipal tribunals. I was the first mayor to think of creating a municipal tribunal as far back as 1979. After 2 years of correspondence we were able to get our request accepted. However, work is piling up in the tribunal and there are many cases pending that should not be kept in abeyance. I am therefore asking that a full-time, specialized justice be appointed to each of the northern and southern districts. It is not appropriate that the situation remain as lax as it is. There are many advantages and benefits to be gained from a municipal tribunal, the purpose of which is to keep order and ensure the supremacy of law.

The tribunal has not been cancelled but, unfortunately, the posts of magistrate and public prosecutor in the town are occupied by one and the same person, although there are 120 inhabitants and the magistrate, being only human, cannot possibly handle the responsibility of the two posts and, at the same time, hear the cases before the municipal tribunal. As a result of the pressure we brought to bear, a full-time justice has been appointed for the Bethlehem region and is expected to take over the functions of magistrate and public prosecutor in the town effective 1 June 1986. I have discussed the situation with the authorities.

We have also appointed a public health medical specialist as well as a veterinarian, so we can now say that we have our own specialized teams in all fields.

[Question] How was the problem of the old municipal marketplace solved?

[Frayj] That problem was wantonly created with pressures being instigated by certain circles. All the stores in the new marketplace have been leased by merchants from the old market and by others.

Another thing, 10 years ago there was not one restaurant in Bethlehem. Now some of the most famous restaurants on the West Bank can be found here with a capacity to provide meals to 5,000 patrons at a time. We now have a number of outstanding hotels furnished with more than 200 beds and offering first-class service with the result that commercial activity has been generally stimulated despite the deterioration of tourism.

[Question] What part does Bethlehem university play in servicing the town's university?

[Frayj] We provide all facilities. I am the chairman of the Board of Trustees and consider myself as the link between the university and the municipality. Education in Bethlehem is outstanding and accessible to everyone.

[Question] There have been dozens of accidents at al-Maqa' Street, near al-Dahshiyya. What is the municipality doing to put an end to that situation?

[Frayj] Over 20 persons have lost their lives on that street. The situation requires the installation of traffic signals. Although I offered that we, with Beit Jala municipality, install the signals without assistance from anyone, the authorities have as yet not approved the suggestion. Nonetheless I will continue to press the case until our request is approved because human life is priceless.

I am happy that a number of city hospitals are to be developed due to my contacts with foreign circles that have agreed to equip the hospitals and provide the services needed.

[Question] Talking about roads, most of the city's streets are narrow, especially downtown, and yet they are two-way. Why are they not changed to one-way traffic?

[Frayj] We have changed Wadi al-Ma'ali Street, as well as that going by the Salesian, to one-way traffic. We are considering making the marketplace a no-parking zone restricting it to pedestrian traffic. We also have a plan for a parking lot and bus terminal at a cost of 1 million Jordanian dinars, and I am trying to obtain assistance from Germany to have the project carried out.

[Question] Does the collapsed roadway at the old market place no longer pose a hazard?

[Frayj] That problem has now been solved and there is no longer any danger of further collapse in the future.

[Question] Bethlehem municipality is accused of bias in the matter of building licenses. What do you have to say in reply?

[Frayj] Six months ago the municipality's policy was to grant extremely wide-ranging facilities with regard to building licenses. Now we have discovered that with automobile traffic congestion, the doubling of the number of inhabitants, and increased building we are, by these very facilities, creating a serious crisis. We have therefore adopted a new policy requiring application of standard specifications and legal principles while making sure that all conditions pertaining to elevation and site lines are observed. The earlier facilities were designed to encourage the townspeople, but now the public interest requires that the crisis be brought to an end.

The reason the new marketplace was built south of the city was to distance it from downtown and expand laterally outside the town.

[Question] What are your views about proposals to develop the West Bank about which there has been so much talk recently?

[Frayj] The West Bank will remain Arab so long as its inhabitants are Arab. Those inhabitants need services such as schools and hospitals. There being no national government, the responsibility for such services rests with the municipalities. Municipal councils have a very important part to play in administering town affairs, and I fully support any well-studied plans for reinforcement, especially in the domain of popular housing. It will be noted that marriage rates are declining due to the lack of apartments. West Bank hospitals are lagging behind, and so are schools. There are no roads in the villages, and no lighting. We do not beg from the Arabs or foreigners because it is our duty to stand firm in our towns and villages. Nevertheless these services are necessary and so support is needed, especially from Jordan, which must do all it can to provide such backing. This cannot be achieved with slogans but by means of real action to provide essential services. There are no political implications relating to projects offered by the United States and Europe.

Schedule of Behtlehem Municipality Activities During the Past 5 Years

	1981/82	1981/83	1982/84	1983/85	1985/86
Licenses	114	181	184	132	126
Students	27,976	29,457	30,736	30,774	31,915
Roads paved	5,000m ²	38,000m ²	25,600m ²	24,060m ²	11,025m ²
Development budget (shekels)	5,516,586	2,658,329	51,530,821	750,239,519	355,181
Stores	871	920	954	939	948
Hotels	4	4	4	4	6
Restaurants	36	40	40	45	60
Fire engines	1	1	2	2	3
Ambulances	-	1	2	3	3
Sanitation trucks	4	5 + 1 septic tank suction truck	6 + 1	6 + 1	9 + 2 septic tank suction trucks

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ISRAEL

SECOND TV STATION APPROVED BY CABINET

Jerusalem THE JERUSALEM POST in English 29 Sep 86 p 1

[Article by Benny Morris and Menachem Shalev]

[Text]

Israel will have a second TV station and as many as 10 additional radio stations, possibly within 18 months according to a bill approved by the cabinet yesterday.

The cabinet voted 9-1 to approve the establishment of a second broadcasting authority. Its director-general will be appointed by the cabinet and can be dismissed by the cabinet. The authority will be run by a 15-member board of directors with a majority of eight government appointees - one each from eight ministries - and representatives from the Histadrut and the employers.

News for the second TV station is to be provided by an "independent company" which will be controlled by representatives of the government-dominated broadcasting authority. The director-general will also serve as chairman of the board of directors of the news company and as chief news editor.

The new authority will be allowed to carry advertisements, and will be required to reimburse newspapers and the existing broadcasting au-

thority for advertising revenue that they may lose to the new station.

Experts estimate that the existing authority will lose \$3-5 million a year.

Prime Minister Peres, who voted with the majority, said that he supported payments to the media because he did not want to endanger the existence of a free press.

Justice Minister Avraham Sharir, on the other hand, claimed that the daily newspapers' acceptance of funds from the new authority would establish a potentially dangerous dependence which might infringe on freedom of the press.

Before the approval of the bill, the ministers debated and voted by 17-0, on a number of provisions. Yitzhak Peretz (Shas) and Yosef Burg (National Religious Party), abstained in the vote. Burg expressed concern that the new channel would not broadcast blue-and-white (Israeli) programmes, but instead would broadcast just "blue" (pornographic) films.

Minister without Portfolio Moshe Arens voiced opposition to the mandatory presence of Histadrut representatives and employers on the 15-man authority board of directors.

/9274
CSO: 4400/29

KUWAIT

BRIEFS

INVESTMENT POSSIBILITIES IN INDIA--Five months after a major Kuwaiti decision to shift emphasis on investments away from the west to the east bloc and the Third World, a Kuwaiti delegation reaches New Delhi today to make a first-hand assessment of the liberalised investment climate in India. Sent by the Kuwait Investment Authority, the four-man team, led by Mr Abdula Al Hajeri, its Asian division director, would meet with leading Indian businessmen and top investment, finance and banking officials in New Delhi. The delegation members are also likely to call on Finance Minister V.P. Singh. Indian Ambassador in Kuwait N. N. Jha, who has proceeded to New Delhi to coordinate the visit, told UNI during a stopover yesterday that although the team was not visiting New Delhi to sign any agreements, Kuwaiti officials were now "seriously" examining India for making future investments. He pointed out that before sending this team, KIA conducted five or six studies on India and in each case, their authors reported on India favorably. [Text] [Dubayy KHALEEJ TIMES in English 18 Oct 86 p 17] /9274

CSO: 4400/31

LEBANON

RECENT BANK OF LEBANON BALANCE SHEETS REVIEWED

Beirut AL-NAHAR in Arabic 23 Sep 86 p 7

[Article: "The Bank of Lebanon in Mid-September: Reserves Declined \$26 Million and Money in Circulation Increased by 165 Million Pounds"]

[Text] The Bank of Lebanon issued a statement yesterday regarding its financial status in mid-September as compared with that at the end of August. This statement showed the following changes:

1. The figures in the subsection on "assets in the form of gold and foreign currencies" in the section on assets increased 2.096 million pounds as a result of the rise in the book valuation of foreign currency reserves, following the rise in the exchange rate of the dollar from 40.50 pounds at the end of August to 43.85 pounds in mid September.

In spite of this increase, a limited decline occurred in the Bank of Lebanon's foreign currency reserves pursuant to its intervention as a seller of dollars at the early part of this month, in hopes of curbing the rise resulting from speculation. From the valuation of reserves at the current rate of the dollar at the end of the period, it is apparent that foreign currency assets declined from about \$603.3 million at the end of August to about \$575.3 million in the middle of September, that is, by a sum of \$28 million. These assets increased in the second half of August by about \$160 million.

2. The figures in the subsection on "loans to the public sector" in the section on assets increased by 2,804,000,000 pounds. This represents the debt incurred by the government to the Bank of Lebanon.

This great increase, following a stable situation which lasted for a substantial period, can be attributed to the government's grant of further loans to finance differentials in the cost of living since the start of the year, in addition to the financing of some expenses of some public departments and organizations.

3. The figures in the subsection on "loans to the private sector" in the section on assets increased by 1,383,000,000 pounds, whereas they had decreased by about 4.5 billion in the previous period, following the Bank of

Lebanon's resumed consolidation of the "bond portfolio" in its possession because it was compelled to finance the deficit in the bank's subscriptions in treasury bonds in the framework of the primary market.

5. The figures in the subsection on "currency in circulation outside the Bank of Lebanon" in the section on liabilities increased by 165 million pounds. This increase appears natural, as it amounts only to 1.2 percent.

6. The figures in the subsection on "bank deposits" in the section on liabilities declined by 1,046,000,000 pounds. This represents the banks' free and compulsory reserve with the Bank of Lebanon. This decline results from the banks' subscription to treasury bonds in the secondary market.

7. The figures in the subsection on "commitments toward the public sector" in the section on liabilities increased by 7,246,000,000 pounds as a result of the rise in the book evaluation of assets in accordance with the rise in the exchange rate of the dollar. Therefore, the figures in the subsection on "public sector deposits" increased about 4,637,000,000 pounds and the figures in the subsection on "currency differentials" by about 2,609,000,000 pounds.

Herewith is a "summary statement of condition" of the Bank of Lebanon:

	On 15 September 1986 Lebanese Pounds	On 31 August 1986 Lebanese Pounds
Assets		
1. Assets in gold and foreign currency (1)	42,298,043,820.20	40,201,012,679.03
2. Loans to the public sector (2)	21,931,048,988.53	19,127,363,845.69
3. Debts owed by the private sector	1,709,573,259.79	1,708,233,049.93
4. Other various assets	6,807,073,968.34	5,424,946,837.61
Total	72,744,740,036.86	66,461,556,412.26
Liabilities		
1. Money in circulation outside Bank of Lebanon	13,726,411,835.70	13,561,745,667.01
2. Banks' Deposits	8,990,452,722.22	10,036,723,432.85
3. Commitments toward the public sector		
A. Public sector deposits	13,002,101,535.45	8,365,813,919.98
B. Currency differentials (Article 115, money and lending law)	32,182,788,161.92	29,573,007,241.76
4. Commitments toward the Private Sector	357,608,736.82	317,504,899.91
5. Private funds	1,716,325,345.31	1,716,325,345.31
6. Various other liabilities	2,769,051,699.44	2,890,435,905.44
Total	72,744,740,036.86	66,461,556,412.26

(1) Gold is evaluated in the Bank of Lebanon balance sheet on the basis of \$42.222 per ounce.

(2) This section represents the total loans granted to the government in accordance with Article 91 of the money and lending law.

LEBANON

ELECTRIC UTILITY'S WARTIME PERFORMANCE, CIRCUMSTANCES REVIEWED

Beirut AL-NAHAR in Arabic 21 Sep 86 p 7

[Article: "The Electricity [Department] Has 345 Million Pounds with Which To Cover Accounts Payable of 4.1 Billion: Power Received Totals 37 Percent, Power Not Received Totals 7 Percent and Thefts Total 56 Percent"]

[Text] The Lebanon Electricity Organization's financial conditions are getting worse. The obvious elements in this situation are the damages, burdens of fuel, cost of equipment, thefts, decline in receipts and the coverage of accounts payable by a proportion of 8 percent without government guarantee and 19 percent with such a guarantee.

The average tariff, which is 40.50 piasters per kilowatt hour, is contrasted by a per-kilowatt production cost which ranges from 122 to 298 piasters, in accordance with the factors adopted for calculating cost, or a total of 200 Lebanese piasters per kilowatt hour.

The Lebanon Electricity Organization has made a study concerning its financial conditions in 1986-87, 1989-93 programs for the provision of capital equipment, its financial requirements and the cost per kilowatt hour for Lebanon's electricity system. From this, we may break down information concerning financial conditions and per-kilowatt cost:

The Organization's Financial Conditions, 1986-87

A. Elements which have led to a disruption in the organization's financial balance since 1975.

Since 1975 the Lebanon Electricity Organization has been suffering from a financial squeeze which has become aggravated since 1983 because of a tremendous increase in costs and a drop in revenues as a result of the security conditions the country is going through.

The elements which have led to the emergence of this squeeze are:

1. The rise in the prices of fuel.
2. The drop in the exchange rate of the Lebanese pound relative to foreign currencies.

3. The requirement of borrowing in foreign currencies and the burdens which have arisen as a result of that, due to the drop in the exchange rate of the pound.

4. The rise in the price of capital equipment and spare parts.

5. The rise in wages and salaries.

6. Depredations against the system and the decline in receipts.

7. Damages inflicted on the organization's installations as a consequence of the events.

8. Failure to raise the tariff to cover these costs. Some of these are:

1. The rise in the prices of fuel:

Year	Price of 1,000 Liters of Fuel Oil	Price of 1,000 Liters of Gasoil
1975	60.00 Lebanese pounds	120.00 Lebanese pounds
1977	180.00	260.00
May 1979	260.00	350.00
February 1984	1,050.00	1,300.00
October 1984	1,292.00	1,671.00
November 1985	2,339.34	2,831.66
June 1986	3,028.00	4,285.33

That is, the price of fuel oil, the basic material for producing electric power in Lebanon, rose 50 times over between 1975 and 1986. It was received for a price of 2 piasters as the cost per kilowatt of production, then proceeded to be received at a price of 1 Lebanese pound. One should bear in mind that the sales tariff has merely quadrupled, since the average tariff was about 10 piasters in 1975 and rose to just 40 piasters in 1983.

2. The exchange rate of the Lebanese pound declined relative to foreign currencies:

The exchange rate of the Lebanese pound declined since 1975 in a perceptible fashion, especially between 1981 and 1986. Herewith is the evolution of the prices of foreign currencies in Lebanese piasters [see next page]:

That is, the buying power of Lebanese currency declined approximately 10 times over between 1981 and 1986. When all electric capital equipment and the spare parts for it were imported, the organization's burdens of procuring them increased 10 times over, on top of the rise in their cost in their countries of origin.

Foreign Currency	End-1981	End-1984	End-1985	12 August 1986
French Franc	80.25	91.00	238.50	640.00
American Dollar	462.25	862.00	1,775.00	4,480.00
Pound Sterling	876.50	1,034.00	2,590.00	6,585.00
Swiss Franc	255.30	337.15	870.00	2,725.00
German Mark	203.50	279.00	733.00	2,169.00
Kuwaiti Dinar	1,645.00	2,818.00	6,165.00	15,320.00
Emirate Dinar	126.65	232.75	486.50	1,214.00
Dutch Florin	185.25	345.25	652.05	2,005.00

3. The rise in the price of capital equipment and spare parts in countries of origin:

The decline in the exchange rate of the Lebanese pound was accompanied by the equivalent of a two-and-a-half time increase in the price of imported equipment in the countries of origin. If we take the decline in the exchange rate of the pound into consideration, we will find that the burdens of importing equipment rose 25 times over.

4. Foreign currency borrowing and the burdens which have come about as a consequence of that, as a result of the decline in the exchange rate of the pound:

Between 1977 and 1980, the organization, on contracting loans, was compelled to borrow, in Lebanese pounds:

For loans contracted directly between the organization and Arab and foreign banks in foreign currency: 266.6 million Lebanese pounds.

For loans contracted by means of the Council of Development and Reconstruction in foreign currency: 696.00 million Lebanese pounds.

A loan contracted with the Bank of Lebanon in Lebanese currency: 1.084 billion Lebanese pounds.

Total: 2,046,600,000 Lebanese pounds.

The total the organization paid when the loan instalments and interest on them fell due, valued in Lebanese currency at the time, and the amount yet to be paid at the exchange rate of the Lebanese pound on 31 August 1986 come to about 8.5 billion Lebanese pounds. Of this, 1.5 billion has been paid on time; about 7 billion remain to be paid. That is, the organization, as a result of its borrowing and the drop in the exchange rate of the pound, will by 1997 pay a price of 7 billion pounds for a loan totalling just 1 billion

Lebanese pounds, apart from that portion of the loan which is paid by the end of 1986.

5. The rise in wages and salaries:

As a result of the rise in costs of living, wages and salaries in the organization have risen by the rate at which the government has raised private sector wages. This has been as follows:

1980	19.6 percent
1981	10 percent
1982	11.6 percent
1983	7.5 percent
1984	8.5 percent
1985	17.5 percent
1986	32.5 percent

That is, wages between 1971 and 1986 rose 2.65 times over.

6. Depradations against the system and the drop in receipts:

With the contraction of the government's authority, depradations against the system increased and receipts declined, beginning in 1975. The level of depradations and uncollected bills rose from 11.5 percent to 50 percent of the power put into the system. The ratio of bills collected in full was also nonexistent in broad areas. The accompanying table shows the general situation in 1985.

Evolution of Trespasses and Receipts, 1975-1985 [Percent]

Power Classes	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Power Delivered for Distribution*	100	100	100	100	100	100	100	100	100	100	100
Depradations Against the System	10	18	14	18	20	22	39	36	42	47	56
Power Not Received	22	67	14	14	7	20	17	22	10	6	7
Power Received	68	15	72	68	73	58	44	42	48	47	37

*(Based on a 12 Percent Loss Relative to Power Produced)

Power put into the system, in million kilowatt hours: 3,200

Rate of natural losses: 12 percent.

Net power delivered to the distribution system, in million kilowatt hours:
2,800

Depreciations against the system, in million kilowatt hours: 1,600.

Power delivered to meters, in million kilowatt hours: 1,200.

Rate of receipts: 85 percent.

Power received, in millions of kilowatt hours, 1,000.

That is, power received accounts for only 33 percent of the power delivered to the system.

7. Damages inflicted on the organization's installations as a consequence of the events:

One cannot give an accurate figure concerning the damages which have been inflicted on the organization as a consequence of the events. One can estimate them, at the exchange rate of the pound on 1 August 1986, at about 2 billion Lebanese pounds. The rehabilitation of damaged installations will devolve upon the organization in the foreseeable future in addition to the expansion activities the restoration of normal conditions to the country will require.

8. The failure of tariffs to keep abreast of the rise in investment costs:

In spite of the abovementioned increase, tariffs have only quadrupled, from an average sales price of 10 piasters in 1980 to an average sales price of just 40 piasters in 1986.

B. Efforts and measures the organization has taken to cope with its financial conditions:

To cope with the financial difficulties which have obstructed it, it has had to create financial resources. The organization has striven to do so in two ways:

1. An increase in the tariff on power.

2. Government contribution to new capital equipment and coverage of the investment deficit.

1. The increase in tariffs:

Since 1977, tariffs have been raised as follows:

The level of the average tariff before 1 June 1977: 10 Lebanese piasters.

On 1 June 1977, the average tariff was raised by 35.70 percent ([to] 13.30 Lebanese piasters).

On 1 June 1980, the average tariff was raised by 32.83 percent ([to] 18.80 Lebanese piasters).

On 1 October 1981, the average tariff was raised by 8.73 percent ([to] 25.47 Lebanese piasters).

On 1 March and 1 September 1982, the average tariff was raised by 63 percent ([to] 32.71 Lebanese piasters).

As of 1 January 1983, the sales price per kilowatt came to 40.50 Lebanese piasters.

On 15 December 1984, the board of directors decided to raise the average tariff by 48 percent over the tariff of 1 March 1982, but this decision was not met by agreement from the competent sources.

On 20 December 1985 the board of directors decided to raise the average tariff by 149 percent over the tariff of 1 March 1982, but this decision was not met by agreement from the competent sources.

However, the increases in tariffs which took place did not lead to the results intended, in view of the low rates of receipt and the increase in deprecations against the system.

2. Government contributions:

By the middle of 1986, the organization had received the following contributions from the government:

2.1. To cover operating burdens:

373 million pounds in 1983 to cover the operating deficit.

2.2. Contribution to capital equipment burdens:

In accordance with the general budget law of 1983, the government decided to contribute the following amounts to construction and capital equipment projects. The exchange rate of the Lebanese pound at that time was from 4 to 5 Lebanese pounds, and the contributions stipulated in accordance with this law were:

1983, 280 million pounds.

1984, 390 million pounds.

1985, 455 million pounds.

1986, 520 million pounds.

1987, 600 million pounds.

1988, 700 million pounds.

Contribution of the following funds actually took place:

1983	280 million pounds (the stipulated contribution in full)
1984	390 million pounds (the stipulated contribution in full)
1985	439 million pounds
1986	175 million pounds
[Total]	1,284 million pounds

Allocation of the contribution for 1986, totalling 345 million, is currently being fulfilled.

The organization's financial situation in the second half of 1986:

After the money that had been paid up to the middle of 1986 was paid out, and after the Bank of Lebanon, in June 1986, had determined to use the balance of most of the organization's accounts which it held to pay an instalment out of open bank credits in its possession, aside from allocations to cover the provision of capital equipment for the al-Zawq Two plant which had fallen due, no amounts were available to the organization to cope with its liabilities, and it is liable for the following sums:

1. Accumulated obligations remaining from previous years, 1 billion Lebanese pounds.

The price of fuel to the Ministry of Oil, without computation of interest of 7.3 [percent].

2. Obligations whose payment will fall due before 31 December 1986.

2.1. The allocation of applications for capital equipment for which the organization has contracted, mostly in foreign currency; the value of this, with the dollar valued at 45 Lebanese pounds, is 1,824 [million pounds].

3.2 [sic]. Obligations to cover open credits from the Bank of Lebanon to cover capital equipment for the al-Zawq Two units in foreign currency, valued at 1.8 billion at a price of 45 Lebanese pounds to the dollar.

2.3. Instalments on loans and interest, valued at 0.514, at a price of 45 Lebanese pounds to the dollar.

Total: 4.138

B. Anticipated revenues:

1. From power sales revenues:

In light of the conditions that currently exist in the country, the organization does not hope to have any surplus available from the sale of power in

1986 which will permit contributions to the payment of the abovementioned amounts due. Operating revenues are scarcely enough to cover salaries, compensations for termination and petty expenses. One should bear in mind that revenues have not exceeded half a billion pounds in toto in 1986.

2. From government contributions:

During 1986, the organization expects to obtain:

The balance of the bank's contribution to the stipulated capital equipment expenses for 1986, which are 345 million pounds out of the total of 520 million stipulated in the 1983 budget law, then the payment of 175 million of it in the first half of 1986 in the form of a loan from the Ministry of Finance, in anticipation of issuance of the 1986 budget law.

Amendment of the government's contribution to capital equipment costs attributable to 1986 on the basis of a price of 45 pounds to the dollar instead of the 4.62 pounds in 1983, where 3.51 billion pounds are added to the sum of 520 million pounds stipulated previously. This amendment is the subject of a draft law being prepared for submission to the chamber of deputies.

From the foregoing, it is apparent that in the event the payment of the sum of 3.51 billion pounds is approved and the sum of 375 million is allocated, the sum of 3,885,000,000 will be available to the organization to cope with burdens totalling 4,138,000,000 pounds. In the event the approval of the government's contribution is delayed, the organization as a consequence will cover the sums it owes, which total 4,138,000,000, with the sum of 345 million Lebanese pounds, that is, an amount representing 8 percent of the amount due.

In the event the amounts due guaranteed by the government, listed in paragraphs 2.2 and 2.3 above, are considered, the government will cover them and the organization as a consequence will cover the amounts due cited in paragraph 1.2 above, which total 1,824,000,000 pounds, with the sum of 345 million pounds, that is, a rate of just 19 percent.

Finally, we point out that these sums do not take into account any applications on which the organization will reach contract after 1 June 1986 to guarantee the continued supply of power or the provision of capital equipment and the need to expand the systems, not to speak of the amounts involved in the organization's debt to the Ministry of Industry and Oil, whether accumulated or in the form of requests for help from the ministry in the remaining months of 1986.

Per-Kilowatt Costs of Production

1. The costs of electric facilities, from production to consumption:

On the basis of the latest bid the organization held to buy steam production units operating on fuel oil and the power transmission and distribution program's requirements, the following is apparent:

The costs of capital equipment for a single kilowatt from steam in the production plant come to about US \$500.

The discharge of the production of a single kilowatt from production to the meter of the person subscribing to a system similar to the electric system of Lebanon requires a similar cost, that is, about US \$500.

Thus the total cost involved with each kilowatt required for the system comes to about US \$1,000.

Since reserve facilities are supposed to have been provided in the production plants and on the transmission lines along with additional transformers to guarantee the continued flow of power, the production and discharge of each kilowatt requires about US \$1,200, which at present, at an exchange rate of 45 Lebanese pounds to the dollar, represents about 55,000 Lebanese pounds approximately.

2. Maintenance costs:

In accordance with international convention, annual maintenance requires about 1.5 percent of the value of installations.

3. Costs of operating installations:

These costs in Lebanon, in light of current wages in Lebanon, come to about 0.5 percent of construction costs.

4. Plant depreciation:

Since it was obvious that the value of the installations would be recouped before they were depreciated, or the capital of constructing them would then be lost, the depreciation period for electric installations was 25 years. Provision made for aid totalling 4 percent of their value each year to cover this depreciation is an investment cost.

5. Minimum return:

The calculations cited in the above sections are approximate and are subject to fluctuation from year to year. Moreover, a minimum return on capital must be set aside to cover unforeseen events. Therefore, it is considered a necessity to set aside about 6 percent of the value of the installations as operating costs. Since the Lebanon Electricity Organization is a public organization which does not have to distribute returns among shareholders, setting the cost while assuming that a technical operating surplus is provided will guarantee that this share contributes to expansions. There is no doubt that setting the rate of return is subject to the policy of the government, which must define the degree to which it wants to make the electricity consumer bear his share of capital equipment expansion.

6. Fuel:

On the basis of the most recent transaction the organization made to buy steam complexes, the production of 1 kilowatt-hour requires about 260 grams of fuel oil, approximately.

Since the return on installations declines with time and the transmission of power over the system entails a natural loss of 12 to 15 percent, the

production and distribution of a kilowatt-hour delivered to the subscriber requires about 330 grams of fuel oil approximately, that is, the equivalent by weight of a third of a kilogram of fuel oil.

The price of fuel oil fluctuates in accordance with the price of a barrel of oil. In this study we will calculate it at about \$10, that is, at a price of a ton of lighter [sic] of \$65, which is equal to 300 Lebanese pounds per ton by weight, on the basis of an exchange rate of 45 Lebanese pounds per dollar. Therefore the value of the fuel needed to produce a kilowatt-hour is about 1.00 Lebanese pounds at present.

7. Production to cover each kilowatt required:

Theoretically, each kilowatt required should be covered by production equal to 1 kilowatt-hour every hour, 24 kilowatt hours every day or 8,760 kilowatt-hours every year. However, in view of the drop in consumption at night and during the day and the drop in the power required during Sundays and holidays, the production relative to each kilowatt is no more than 5,000 kilowatt-hours a year in Lebanon, as contrasted with 8,760 kilowatt-hours. One should bear in mind that in some industrial countries of the world it is more than 6,500 hours. In determining the level of production relative to the power required, what is known as the "load factor" has been used in international convention. In Lebanon this is currently 60 percent, while in some countries of the world it exceeds 75 percent.

8. The cost of producing a kilowatt-hour

On grounds that the cost of capital equipment for each kilowatt required in the system is within the range of US \$1,200, that is, the equivalent of 5,500 Lebanese pounds approximately, at an exchange rate of 45 Lebanese pounds to the dollar, one can deduce the cost of a kilowatt hour for the system as follows:

A. Operating costs, without fuel:

1. Annual maintenance costs, 1.5 percent, times 55,000 Lebanese pounds, or 825 Lebanese pounds.

2. Annual maintenance costs, 0.5 percent, times 55,000 Lebanese pounds, or 275 Lebanese pounds.

3. Annual plant depreciation, 4 percent, times 55,000 Lebanese pounds, or 2,200 Lebanese pounds.

4. Minimum annual return, 6 percent, times 55,000 Lebanese pounds, or 3,300 Lebanese pounds.

Total, 6,600 Lebanese pounds.

Since the production for covering each kilowatt is 5,000 kilowatt hours, the annual cost derived per kilowatt-hour is 1.32 Lebanese pounds.

B. Costs of fuel:

Three Lebanese pounds divided by three, or 1 Lebanese pound.

C. Costs of expansions:

Twelve times 55,000 divided by 5,000, or 1.32 Lebanese pounds.

Conclusion

The accompanying table [see next page] gives costs per kilowatt-hour under various conditions. It ranges from 122 to 298 Lebanese piasters, according to the costs to be imposed. One can determine an average tariff level in the light of the policy stipulated in this regard.

Cost Per Kilowatt Hour Delivered to the Consumer on the Lebanon Electric System

(Data on 1 September 1986, exchange rate of the dollar 45 Lebanese pounds, price per ton of fuel 3,000 Lebanese pounds, costs of capital equipment per kilowatt required \$1,000, annual production in exchange for each kilowatt required, 5,000 kilowatt hours.)

Cost Price	Fixed Costs	Costs of plant Depreciation	Costs of Returns (6 percent)	Contribution to Expansions at a Rate of 6 percent	Costs of Fuel	Total
	22 piasters	44 piasters	66 piasters	66 piasters	100 piasters	
Fixed costs plus fuel	22				100	12
Fixed costs plus plant depreciation plus fuel	22	44			100	66
Fixed costs plus plant depreciation plus 3 percent return plus fuel	22	44	33	--	100	199
Fixed costs plus plant depreciation plus 6 percent return plus fuel	22	44	66		100	232
Fixed costs plus plant depreciation plus 6 percent return plus 6 percent expansions plus fuel	22	44	66	66	100	298

11887
CSO: 4404/30

LEBANON

RELIGIOUS LEADER CONDEMNS VARIOUS PEACE INITIATIVES IN COUNTRY

Beirut AL-'AHD in Arabic 11 Oct 86 p 7

[Interview with 'Abbas Musawi, religious leader: "Resolution 425 Is Thwarting the Spirit of Resistance"]

[Text] The scholar Mr 'Abbas al-Musawi warned that a tendency exists to turn the "emergency forces" into deterrent forces and gave notice that, in addition to Resolution 425 and the appendixes to it, that means a blow against the resistance, removal of its weapons and greater freedom of movement for Israel.

This is what the gentleman told AL-'AHD, which asked him about the Islamic position's point of departure in rejecting the role of the emergency [forces] and Resolution 425.

The scholar al-Musawi offered a detailed, meaningful response in which he clearly and frankly stated some of the grounds for rejecting the resolution and most genially called on everyone to contemplate the resolution thoroughly before taking a position, because the issue is broader than a legal stipulation -- indeed, it assumes a strategic and historic character of principle, since the fate of the nation's resurgence is in the balance.

The gentleman called attention to an issue of the utmost gravity, which became prominent in the context of appeals of support for the international resolution when some givers of sermons determined to generate fear of Israel. He considers that this is a grievous approach, since it is eliminating the spirit of resistance, which has had the greatest effect in the triumph over the Zionist enemy. He warned against continuing the "intimidation," which is rebuilding the myth of "the Israel which cannot be defeated" and eliminating the most important accomplishment of the resistance in its struggle with the Zionists.

Herewith is the transcript of the interview:

AL-'AHD: The Lebanese arena is experiencing a series of important developments, at the forefront of which stands talk about an attempt at a solution in the domestic context by resuming dialogue via cabinet meetings in the

form of a committee on dialogue. How do you view these activities and their results? What are the perspectives for the future?

The scholar al-Musawi: In the name of God the most merciful and all-compassionate, what we are actually seeing, in the course of international, regional and local developments, is that a common feeling exists among the major countries that the only danger is from the Islamic revolution, which has started to branch out in all areas of the Islamic world. It is clear that the arena in Lebanon has been affected by the Islamic revolutionary tide, and has managed, more than any other arena, to realize the greatest of victories against the major powers, especially Israel, the stepdaughter of the East and the West. This has created a feeling among the major countries that it is necessary to shift the arena once again into the corner of colonialist orientations in the favor of the arrogant countries.

Proceeding from this premise, we consider the security plans and the talk which has come after them concerning a dialogue with the Lebanese forces and the regime, and the controversy that is being raised on Resolution 425, all to be part of a comprehensive plan to which America and the Soviet Union are devoting attention in the region in order to confront the Islamic tide, to put the arena and the region under its [sic] influence, especially after it felt the earthquake which will destroy its interests, which has made it inevitable that it must strive to:

1. Give permanent legitimacy to its efforts by giving permanent legitimacy to the existence of Israel.
2. Give permanent legitimacy to a central government that serves its interests, through which the Phalangist and Christian presence in the region will be given permanent legitimacy.

This is in the context of the orientation of the forces of arrogance. As far as what we consider goes, the future in this region belongs to Islam.

The Premises of the Stand on Resolution 425

AL-'AHD: There has been much talk recently about Resolution 425. Stands on that have ranged from rejection to acceptance, and the Hizballah's stand has become prominent as one of a basic rejection of this resolution, in addition to the position of the Islamic Republic, which is one of rejection also. The question here is, what are the reasons for this rejection?

The scholar al-Musawi: We have a point we take for granted, which is that the Israeli enemy, by the basic fact of its existence, constitutes a threat to the whole Islamic nation. This conviction proceeds from our view of the actual state of the region, which clearly shows us that as soon as the Jews arrived in the course of their ill-fated migration to Palestine, the whole region entered into tension and all the struggles, in 1948, 1956, 1967, 1973, 1978 and 1982, are only effects of this ill-fated presence. Likewise, the cause of all the current tension we see, whose danger the whole world feels, is the Zionist presence in the region.

This, of course, of necessity, turns our decision into a struggle for survival, and this is what Imam Khomeyni, may God preserve him, spoke about: "It is necessary to eliminate Israel from existence."

This policy and general conviction make us feel uneasiness regarding any resolution or orientation which entails recognition, negotiation, peace or a truce with Israel or anything else which lies within the category of giving the enemy reassurance over its existence. From this angle, the decision to make a confrontation by force of arms becomes the only option, and that is what explains our position regarding the 17 May agreement and the al-Naqurah negotiations, and also explains our current position regarding Resolution 425. In addition to that, there are some issues which we consider basic as far as our destiny and that of our nation are concerned.

Sealing off the Last Front against Israel

First of all, we consider that Resolution 425 is the act for which Israel's masters, the Americans and the Soviets, have taken responsibility in order irrevocably to seal off the only remaining front of confrontation with the enemy. Put more clearly, after colonialism agreed to seal off all the fronts with Israel, through agreements or without them, after all that, it felt that the only active front was in the south. Previously, the decision to affect a shutdown was through the al-Naqurah negotiations, with Soviet and American agreement, and now it is with 425, which the Soviets and the Americans agree to.

A Demilitarized Zone

Secondly, 425, with the resolution it contains concerning the presence of a buffer zone which the international emergency forces will control and the role Resolution 426 stipulates for these emergency [forces], whose zone is to be demilitarized, and in which all forms of deterrence and prevention of armed resistance against the enemy Israel are to be exercised, poses a threat to our Moslem armed forces alone, while the enemy's weapons go about at will in the territory of the south. The emergency forces, with the role they have come up with for them, will constitute a deterrent against us, not against Israel, and this at least involves great contempt for our dignity as Moslems, since how can we, with our own hands, allow a stick to be raised in our faces at a time when this stick constitutes a real protection for Israel?

The United Nations at the Service of the Forces of Arrogance

Thirdly, our downtrodden Moslem people must understand that all the resolutions issued by the United Nations or the Security Council are resolutions in favor of the forces of world arrogance and their offshoots in the region. Our proof of this is all the causes of the downtrodden on earth, none of which have been dealt with in their favor, from the problem of South Africa to the problem of Vietnam, the problem of Palestine, the problem of the Arab territories occupied since 1967 and the problem of Moslem Afghanistan. Nothing has been achieved concerning these problems on behalf of the downtrodden, particularly in this region, in spite of all the pro forma resolutions

which have issued forth from the halls of the Security Council and the United Nations.

Rebuilding the Myth

Fourthly, we feel, through the premise by which Resolution 425 is being presented, that a plan exists to restore awe of Israel to the spirits of our people once again, and the assertion of the need to carry out this resolution reveals this.

For example, what does it mean for our nation to be told, from behind the pulpits, "If the emergency forces leave, who will protect the Moslems in the south," or for other people to state that "the departure of the emergency forces will lead to a new invasion of Lebanon?" This all proceeds from the evil educational method which the forces of arrogance and Israeli intelligence agencies relied on in the past to sow the complex of fear in the spirits of our people, not in Lebanon but throughout the region, and which, by itself, before 1982, made Israel a fearful force which could not be defeated.

Now, however, following the emergence of the Islamic resistance against the enemy and the actual discovery of the true state of Israeli power and the true state of our forces as Moslems which has come in the wake of that, can our history be made to regress to the era of fear and abasement before Israel? Our people alone, and our women and children, are the ones who have achieved the victory and they are the ones who are protecting this arena. Can we tell these protectors that it is French forces or other foreign forces that are protecting their arena?

The logic of truth and reality rules out our dealing with matters in this manner. Our young people are the ones who have realized victories and they alone are the ones who have the right to defend and protect this arena, not the puppet foreign forces.

Rallying about the Spirit of Resistance

Fifthly, Israel considers that what befell it in Lebanon was a surprise, and some of its officials expressed this by saying, "When we went into Lebanon we imagined that the only problem would be that of the Palestinians, because we believed that the Lebanese people had assumed the culture of the West." The important thing is that the enemy was surprised to find that our culture is that of Islamic holy war. Therefore, the blows of the Islamic resistance were painful and hurtful to it. In the face of this surprise, it was compelled to withdraw, with the necessity of the rallying of the spirit of Islamic resistance in its head.

Put more clearly, Israel, which has designs on our water, our land and our resources, felt, through its invasion, that a violent revolutionary response existed and that it would be possible to destroy it and eliminate all of its aspirations throughout Lebanon. Therefore, it has now begun planning to crush this revolutionary spirit by a temporary withdrawal in conjunction with a conspiracy which will end up isolating Moslems from the condition and

weaponry of holy war, which will lead to a state of general lassitude among fighting men. If, may God not permit it, a state of lassitude comes about in our nation and people are preoccupied with their everyday concerns, then Israel will be able to come back without any resistance.

Therefore, we consider that Resolution 425 is a rallying of forces against our spirit, the resistance, which was violent when the occupation forces were present and started to slack off after their withdrawal. Therefore, we reject this resolution and consider it a new conspiracy against the Islamic resistance.

We Are Part of the Struggle

In addition to all these matters, we must be aware that the party to the real struggle is not us here in this arena but that we are part of the great struggle which is going on at its greatest pitch between Islam and apostasy. All the Islamic forces represent this struggle, headed by the mother revolution under the leadership of Imam Khomeyni, may God preserve him, against the front of apostasy represented by the East, the West and their allies in all areas of the world.

Why the Rush?

Therefore we ask, why this hurried race on the part of the forces of world aggression toward the solution of all the existing problems in the region, solution of the problem of Lebanon, presentation of the issue of Taba so that it may be dealt with, autonomy for the Palestinians on the bank and the strip, preparation for the Jordanian-Israeli meetings, Peres' visit to Morocco and presentation of the issue of Resolution 425?

We can consider all these hurried steps as only a feeling on the part of the forces of world arrogance of the need to close the file on the problems of the whole region so that one can direct oneself toward the front of the Islamic republic.

This matter imposes major responsibility on us before God and before history not to understand resolutions issued one place or another from our narrow perspective but rather to have to expand our horizon and enter into the struggle from our broad arena, especially since one of the most important duties conferred by Islamic law is the preservation of the republic of Islam, a duty which I consider more important than the matter of fighting with the enemy, because by our preserving it we preserve the fundamental base from which we set out to serve our major causes in all areas of the world, including the cause of the struggle against the Israeli enemy and the liberation of our holy Jerusalem.

It is this premise which has made our Islamic republic in Iran constantly address itself to our basic issues. They are the ones who supported us the day everyone abandoned us on the subject of the conspiracy of the 17 May agreement and they alone also stood with us against the al-Naqurah negotiations. It is natural that they should have a clear position regarding the present conspiracy and that is what has been given concrete form through the

statement of their rejection of Resolution 425 by the political committee under the prime minister's chairmanship.

The important thing regarding this matter is the need for us to act as Moslems in this country under the directives of our Islamic republic and for our views and opinions to be unified under their noble directives. Therefore we request all Moslem bases in Lebanon whatever body they might belong to to commit themselves totally to the republican decrees and to protect them, especially since the preservation of these decrees entails a direct preservation of our presence, dignity and interests.

The Background of the Israeli Rejection

AL-'AHD: It has been observed that Israel is rejecting Resolution 425 and therefore the presence of the emergency [forces]. This is what Foreign Minister Shamir asserted recently when he said "It is necessary to preserve the belt area and the army of southern Lebanon, because the international forces cannot guarantee Israel's safety and there is no need for their presence in the south of Lebanon." How can you reconcile the Israeli rejection of this resolution with the statement you have made about the security guarantee that the resolution will effect for Israel through the presence of a buffer zone?

The scholar al-Musawi: The spirit from which Resolution 425 proceeds is actually the same spirit from which Israel proceeds in rejecting it, because Israel is acting to give permanent legitimacy to the buffer zone through the forces of the puppet Antoine Lahad by means of its direct supervision and considers that the presence of a security strip by the medium of the Lahad group, under its supervision, constitutes a greater guarantee of the buffer zone's function. Meanwhile, the international emergency forces might not, because of their weakness, be able to realize such a function.

Emergency Forces into Deterrent Forces

However, if we note that the emergency forces, with the arrangements that are being made now, will be turned into what Jacques Chirac (the French prime minister) has demanded, a true basic effective force, and that the basis for it will be from Eastern and Western countries within an international umbrella, in addition to its support by local forces, and the deterrent powers which will be provided, this all might turn them into a force that is more potent than the puppet Lahad's army, which is what the logic of the Israeli rejection underlines.

One thing which is to be taken for granted is the need to have forces to stifle the confrontation with the enemy and end the spirit of holy war. However, the dispute concerns the identity of the element competent to carry out this task -- whether that is the emergency forces or Antoine Lahad. Therefore, I have said since the beginning that the spirit from which Resolution 425 set forth is itself the spirit of Israeli rejection of the role of the emergency [forces].

In addition to that, we have become accustomed to Israel, through its methods of dealing in the course of our long struggle with it, exercising all

methods of fraud for the sake of a greater gain. It is announcing its rejection of Resolution 425 to achieve two goals:

First, to drive the party facing it to adhere to it more.

Second, movement among the major countries for the sake of giving the emergency forces the strength and ability by which they can perform the role of preserving the security of the north of Israel. We can see this clearly at the present time, since all the major countries are acting to realize this act of fraud and carry out Israel's will.

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CSO: 4404/31

SAUDI ARABIA

BRIEFS

ROYAL DECREES ON APPOINTMENTS--Riyadh, 15 October--A Royal Decree No A/55 dated 12 October 1986 was issued promoting Lieutenant General Muhammad Ibn Hilal, the director general of the Frontier Corps to the rank of general. Royal Decree No A/56 dated 12 October 1986 has been issued retiring General Abdullah al-Rashid al-Busayli. Royal Decree No A/57 dated 12 October 1986 has been issued appointing Abdullah Rashid al-Busayli as a councillor at the royal court with the rank of minister. Royal Decree No A/58 dated 12 October 1986 has been issued promoting Major General 'Abd al-'Aziz ibn 'Abuddal al-'Uyayd to the rank of lieutenant general and retiring him. Royal Decree No A/59 dated 12 October 1986 has been issued promoting Staff Major General 'Abdullah al-'Ali al-Namiah to the rank of staff lieutenant general and appointing him as commander of the royal guard. Royal Decree No A/60 dated 12 October 1986 has been issued appointing Brigadier General Salih al-'Abdullah al-Sudays as assistant commander of the Royal Guard. [Summary] [Riyadh SPA in Arabic 0025 GMT 16 Oct 86 LD] /12232

SECURITY FORCES COMMANDER NAMED--A royal order has been issued appointing Major General 'Abdallah ibn 'Uthman al-Mutayri commander of the Special Security Forces. [Excerpt] [Riyadh SPA in Arabic 1310 GMT 19 Oct 86 LD] /12232

MINISTERS OF STATE APPOINTED--Holy Medina, 23 October (SPA)--A royal decree has been issued appointing Dr Fayiz Ibrahim Badr as minister of state and member of the Council of Ministers. Royal decrees have been issued appointing Shaykh Muhammad ibn Ibrahim ibn Jubayr, Turki ibn Khalid al-Sudayri, 'Umar 'abd al-Qadir al-Faqih, and Muhammad ibn 'abd al-Aziz Zar'a as ministers of state and members of the Council of Ministers. [Summary] [Riyadh SPA in Arabic 2107 GMT 23 Oct 86 LD] /12232

CSO: 4400/33

SYRIA

OFFICIAL PREDICTS BRILLIANT OUTLOOK FOR DOMESTIC ECONOMY

Paris AL-MUSTAQBAL in Arabic 13 Sep 86 pp 45-47

[Interview with Khalil Bahlawan, Director General of Military Housing Organization, by Yasir 'Abd Rabbuh: "The Syrian 'Housing Organization' Director -- In 2 Years Syria Will Attain Self-Sufficiency"]

[Text] The story is told that a villager sought to visit Damascus with his son to buy some requirements. They mounted a donkey and headed for Damascus. As soon as they entered the city they heard a voice whispering "There no longer is any mercy toward animals. The man and his son with all their weight are riding the donkey." When the villager heard that he got down and left his son on the donkey. They did not go on any distance before they heard someone saying, "There is nothing more ill-mannered than this generation. The son is riding, leaving his old father to walk." The son then got down and called on his father to mount. After a few steps they heard someone saying, "Is there any cruelty like that of this father who rides the donkey while his son walks?" The man got down and walked with his son, on foot, with the donkey behind them. After a few steps they heard someone saying, "Look at the simple-mindedness of the villager! He owns a donkey and does not ride it with his son!" At that point, the villager said, "Let our needs go to hell, in God's name I will not enter this city," and he went back to the village with his son.

This is not a new story to Damascus. The Damascenes know it and relate it with much pride. The condition of Damascus is like this, and it appears that it will remain so. A citizen does not have mercy on his government if it opens schools for him, builds roads and constructs hospitals; he considers it a spendthrift government. If a government official appears on television to tell the citizen that many debts are owed the government and that they must sacrifice some things, the citizen accuses his government of inadequacy and stinginess and the air becomes full of rumors.

The rumor which is now filling Damascus is that the government is behind the rise in the value of the dollar and other foreign currencies. If someone asks for reason, he is told that Khalil Bahlawan is buying millions of pounds a day in commodities from the markets of Lebanon for the Military Housing Organization, and this is leading to the drop in the value of Syrian currency and a rise in the prices of foreign currency.

When I heard the name of Khalil Bahlawan, I remembered it very well. On one of my trips from Paris to Damascus, a passenger who provoked interest was in the seat next to mine. Whispering into the ear of the stewardess, I asked her about the passenger, and she replied tersely, "Khalil Bahlawan."

I remember that a general conversation went on between the man and me in the airplane which ended as soon as the airplane reached Damascus. I did not ignore that the man invited me to visit him, but I was not able to, and returned to Paris without seeing him.

Faced with the flood of rumors, I got in touch with Khalil Bahlawan by phone and made an appointment for a meeting with him. I intended to obtain reliable information for publication without mentioning its source. The man was a military figure and I know that statements to the press are forbidden to military men.

I met with Khalil Bahlawan, or Col Khalil Bahlawan, and he invited me to make a tour of the al-Dimas section to view one of his projects, the "al-Asad villages." After the tour, I ate lunch with him and at the table told him, "Let me ask your permission to publish some information which I heard from you this morning." He smiled and said, "In fact, publish it in my name. I am not embarrassed over what I say and am not concerned with formalities."

Honesty dictates that I publish what the man said. However, I did not have paper to write on or a tape recorder to make a recording with me, but just the memory of a man over 50.

The offices of the Military "Housing Organization" are situated in the village of 'Adra on the international highway between Damascus and Hums. In an expansive, elegant office, Col Khalil Bahlawan met me in civilian clothing with a military laugh endowed with much severity and seriousness. I had hardly sat down when I said, jokingly, "My information is that the prices of coffee in Syria are now high. Can I taste a cup of it?"

He did not laugh much at the joke, but did ask for the coffee, and started to talk.

Also on behalf of honesty, I can say that I was astonished. The man has extensive religious, literary, artistic, military and political learning. On top of all that, he has real courage and works with unlimited faith in his country and president.

I told him, in my astonishment at the magnitude of his information and the power of his faith, "Do you know that you are charged with the crime of the drop in the exchange rate of the Syrian pound because of the numerous goods the organization you run has bought from the markets of Lebanon?"

He replied, "I can assert that for more than 3 months I have not bought any commodity from Lebanon or anywhere else. However, I admit that I carried out activities of that sort in the past to meet my organization's requirements." He went on, "Do you know that my organization has 80,000 employees and 4,000 engineers? Its name may be military, but it is a civilian organization and its work is connected to the public and on behalf of the public."

I asked, "Are the organization's activities to provide housing for military people, as one might understand from its name?"

Khalil Bahlawan replied, "One of our organization's activities is to provide housing for all the people, military people and civilians. If you have time, I invite you to visit the al-Asad villages in al-Dimas (a suburb of Damascus on the international highway to Beirut). There you will find housing for everyone, owned by ordinary citizens as well as military persons. In the near future, houses will be offered to young people at low prices so that we can encourage these young people to buy nice little homes to provide guarantees for their future. We are intending --"

Interrupting, I said, "I would like to apologize for interrupting. Bear in mind that I will be anxious to visit al-Asad villages, but I would like to know your opinion on the economic crisis Syria is going through today, since --"

He interrupted me this time, saying "I would like to assure you that there is no crisis in Syria. Rather, there is mismanagement. The government is intending to rectify the situation. You will tell me that the dollar is falling everywhere in the world and rising here. That is true, but what is true is that a country like Syria is not concerned about this, even if the dollar should go to 50 Syrian pounds. Syria in 2 years will be able to close all its outlets and live on its income. Ours is a wheat-producing country. In the next 2 years there will be an abundance of wheat which we will be able to sell outside the country, and also oil. There are good mines and industries in Syria. Our country has fertile land and good agricultural seasons and has a productive people. Syria's requirements from abroad are gradually declining. It is not at all important if the dollar rises and it is no tragedy if it falls. We have Syrian currency which we consider a homogeneous financial unit. What you see today is not a crisis; rather, I consider it proof of vigor. The same Syrians who are used to buying dollars for 6 pounds and going to Paris and London to buy goods for themselves and their wives and children have discovered today how good their industry is. A dress any Syrian woman is buying or used to buy from Paris for 5,000 French francs is now available in Syria. It is Syrian made and contains the same European specifications, at a price which comes almost to 500 Syrian pounds. You can see brothers of ours from Lebanon and Jordan today in the markets of Damascus buying all their clothes from our markets since they have found good manufacture and cloth which Syria has been famous for throughout its history at lower than reasonable prices.

"Then there is a group of our citizens who like tourist activity. That might be their right, but one does not have the right to know his neighbor's home before he knows the rooms in his own. Syrians used to go to Nice, Cannes, London and the coast of the Italian Riviera for tourist activity and to pass the summer. This year, Syria has obtained millions of pounds because Syrians, in the face of the rise in foreign currency, are now investigating the rooms in their home and discovering that they are comfortable, spacious and good. Thousands of Damascenes summered this year in Latakia and Tartus. On the Syrian coast we have a town named Kasab which is more beautiful than any Swiss village. These people have discovered that there is good, beautiful

tourist activity in Syria. For people who like coasts, we have a coast on the Mediterranean which is very beautiful. For people who like to spend the summer in the mountain, we have mountains with cool air and a gentle breeze. We have historic cities like Palmyra, Sidnaya and Ma'lul. The Ministry of Tourism here gives exceptional importance to the encouragement of domestic tourist activity. You might say, 'Are there services in Syria like those we find in Europe?' I can tell you at the present time they do not exist. The reason for saying they do not exist is that Syrians did not go to their tourist towns. To continue, the tourist services are not at the desired level, but they will be good in the next 2 years at the remotest estimate."

I told him, "I give God thanks that I have found an optimistic person!"

He replied, "Although my nature is one of optimism, I do not see any reason for pessimism. Our country, God be praised, is in good condition and has many resources. Today it is going through a historic stage, since God has willed that it have a president who possesses only optimism and works only for the good of the nation and the citizen. Our citizens know that everything has its price, and if there is a shortage that is a result of an honorable national stand and we must stand behind the man who has made Syria a country greater than its natural magnitude."

He turned to me, saying "This time I would like to ask you, what is the definition of a great country?" Before I answered he said, "I can give you an answer as well. A great country is one which can provide all its requirements domestically. In this organization of ours, which I consider a modest one, there are many industries. There is a very deluxe rug industry. Do you know that I crush black rock and produce sofas from it? Do you know that there is not a single item in this office which is not of our making? We have furniture which in its beauty, taste and workmanship is the equivalent of Italian furniture and sells for one 10th the price of that product? Here in this organization we have dozens of factories which can provide Syria everything it imported from abroad.

"We in this country need just 2 years and then nobody will talk about shortage. Indeed, the conversation will be about the prosperity to come."

Khalil Bahlawan went on to say, "I do not deny that there are some temporary difficulties, the cause of which is that we are intending to establish strategic balance with the enemy. I am not a politician so that I could say that an issue of this national magnitude requires many sacrifices and our people throughout the ages have been accustomed to making sacrifices for the sake of their national goals. However, I once again stress that this sacrifice will not last for a period of more than 2 years, when Syria will become an exporting country, and it will not be important if the price of the dollar rises or falls, since Syrians will have their strong pound, their firm economy and the resources of their country, which are all they will need."

SYRIA

COMPANY'S 'INEPT' PERFORMANCE EXAMINED

JN231920 Damascus Television Service in Arabic 1730 GMT 23 Oct 86

[Excerpt] The People's Assembly held a session under Speaker Mahmud al-Zu'bi this morning which was attended by a number of ministers. At the beginning of the session, the members' written questions were read on the completion of a number of projects. There was also a call to punish the negligent ones who had let themselves be seduced by bribes and had tampered with the people's resources. The questions were referred to the competent sides. The assembly approved the reconsideration of the draft law stipulating the amendment of Article No 13 of the law on Syrian Arab nationality.

A number of assembly members then talked about the poor performance and inefficiency of the General Company for Fruit and Vegetables and its inept marketing of agricultural produce. The speakers called for forming a committee to study the progress of work at this company and performance of its tasks. At the end of the discussion, in which the minister of supply and internal trade participated, the assembly agreed to form a committee to study the work of the company for fruit and vegetables and to evaluate its work since its inception.

/12232

CSO: 4400/34

UNITED ARAB EMIRATES

BRIEFS

TRADE WITH EAST EUROPE--Dubayy, 13 October (WAKH)--According to a statistical report issued by the Dubayy Chamber of Commerce and Industry, the UAE's trade with East European countries has increased by 10 percent annually over the past 5 years, while the UAE's exports to East Europe were insignificant. Approximately 80 percent of the UAE's imports from East Europe are manufactured goods and machinery, while 20 percent are foodstuff and chemicals. Sixty-six percent of the UAE's imports from East Europe are from Czechoslovakia, Yugoslavia, and Poland. The UAE's imports from East Europe in 1984 totaled 258 million dirhams, the report says. Czechoslovakia is the largest exporter among East European countries to the UAE, 29 percent of the UAE's imports from East Europe were from Czechoslovakia. There has been a significant increase in Yugoslavia's exports to the UAE: They rose from 53 million dirhams in 1983 to 67 million dirhams in 1984. Poland is the third largest exporter among East European countries to the UAE: Eleven percent of the UAE's imports from East Europe were from Poland. Imports from the GDR fell from 61 million dirhams in 1983 to 14 million dirhams in 1984. [Excerpts] [Manama WAKH in Arabic 0715 GMT 13 Oct 86 JN] /12232

CSO: 4400/33

YEMEN ARAB REPUBLIC

BRIEFS

OIL SEARCH BEGINS--Sanaa--North Yemen has started to prospect for oil in its central region and will begin offshore drilling within two months, Prime Minister Abdul Aziz Abdulghani said yesterday. Mr Abdulghani, speaking at the inauguration of a small dam near Sanaa, did not say where offshore drilling would take place and it was not immediately clear who would carry it out. North Yemen discovered oil in 1984 in the Jawf Al Baten area, 250 km (160 miles) northeast of Sanaa. The Alif field, the biggest producer of the four places drilled, has proven reserves of 500 million barrels. A new concession from Yarim, 130 km (90 miles) south of Sanaa, to Saada, 250 km (160 miles) north of the capital, was won by Exxon Corporation of the United States. Yemen Hunt, a subsidiary of the U.S. Hunt Oil Company, first struck oil in the northeast, and British Petroleum has been exploring in the Tihama plains along the Red Sea. Last month, the country laid the foundation stone for a \$300 million, 400 km (180 mile) export pipeline linking the drilled wells to Salif on the Red Sea. Work is expected to be completed in November 1987. [Text] [Dubayy KHALEEL TIMES in English 16 Oct 86 p 16] /9274

CSO; 4400/31

AFGHANISTAN

'HERO OF KABUL' ADMITS DISAPPOINTMENT AT VANISHED DREAM

Paris LE MONDE in French 26 Sep 86 pp 1, 3

[Article by Patrice Claude reporting from Peshawar]

[Text] The shiny new Japanese limousine belonging to Commander Abdoul Haq pulls up at 1600 hours sharp in front of the city's one and only four-star restaurant. "Look at that!" a passer-by observes: "The Mudjahiddin are starting to keep business hours!" A bearded "pachtoun" in impeccable livery majestically descends to open the door. All but overcome by the blistering heat, the reporters sprint into the air-conditioning heading for the comfort of the overstuffed chairs. They had been told that the leaders of the Mudjaddin were yielding to the allure of the bourgeois life, but even so they had not anticipated anything like this.

The days of the ancient, creaky clunkers and the dusty, rubble-strewn yards seem to have vanished. Abdul Haq's house in an "Afghanized" suburb of Peshwar, might belong to any affluent Pakistani businessman. A Moudjahid, kalashnikov slung over his shoulder, opens the heavy steel door then carefully shuts it again behind the visitors. From there, he goes to rejoin his comrades on the well-tended lawn in front of the residence. The press is ushered into the air-conditioned room.

On a glass-topped table, surrounded by easy chairs, green tea and small cakes are served. On the wall in an elegant wooden frame, hangs a document bearing the tricolor seal of the French Republic, commemorating the twinning of Antony, a Parisian suburb, with Paghman, a little town to the west of Kabul, where Commander Abdul Haq was born. The document, dated 20 February 1985, symbolizes the friendship between the mayor of Antony and the Afghans fighting against the Soviet occupation force. It was a pretty gesture that couldn't have cost much, and which sent a delicious little shiver of clean conscience through the hearts of the visiting Frenchmen.

Abdul Haq, the "hero of Kabul," the man who for 7 years has put his signature on most of the assaults and surprise attacks on the Red Army in the Afghan capital, casually enters the room.

Barefoot, wearing an immaculate white robe, bull-necked, broad-shouldered, of medium height, the commander drops into an armchair and scrutinizes his

guests. One American, one French; he is among friends. His short, sturdy infantryman's legs are stretched out on the silky carpet. He is unarmed.

"I don't like to go about armed all the time," he says. "I don't like killing (. . .), I'm bone-tired. If I could, I would sleep for 3 or 4 years without waking." In Kabul, they are offering a high price (300,000 francs) for his head. He smiles at that. "Yes, I have to take more and more precautions these days when I come into town. But I keep coming back. We marched, my men and I, for 9 whole days to get here."

'It Used To Be Easier, Back Then.'

The voice is weary, and the eyes are sad. From time to time Abdul Haq runs his fingers over the solid gold watch that gleams on his left wrist. First sentenced to death under Daoud's reign in 1977 Abdul Haq owes his life to the confusion surrounding the 1978 change of rulers. That confusion provided cover for his family to distribute 300,000 afghanis (about 20,000 French francs) in bribes to his jailers at the time. The Commander was then 17 years old.

Today, he is 28, but he looks at least 5 years older than that.

"Yes, things used to be easier back in those days. Kabul today is surrounded by a tight security belt. There are guard posts all around the city. That gives them some logistical problems, of course, but it gives us problems as well." Married 2 years ago, and father of a small son, Abdul Haq commands he says 5,000 men. "I'm going to have to cut back a little. Mujahiddin are costly to maintain, you know: 1,500 afghanis (about 100 francs) per man per month."

Last spring, the commander made the rounds of his tight-fisted donors in Europe: London, Paris, Bonn and Amsterdam.

"In military terms," he swears, "I got nothing at all." Other sources, including western professional experts on the Jihad, assure us that he wangled at least several British missile-launchers "and maybe some instructors to teach his men to handle them." In any event, he hasn't the wherewithal to win the war . . .

"I took advantage of that trip to buy warm clothing, boots and binoculars for my troops," he goes on: "I was in a position to supervise and facilitate getting supplies through customs" . . .

An aura of magic seems to surround the arrival of legendary heroes of the war on communism in the cosseted and comfortable West: when they appear in the flesh, just passing through, even the customs inspectors know enough to look the other way . . .

There is always, somewhere in this world of wealth, a round table or a conference or a solidarity gala with the struggling Afghans. The resistance movements send their exchequers and their political leaders to these

gatherings. Very rarely do they send their fighting men. A man like Massoud, for instance, the "Lion of Panshir," is unquestionably the best strategist in the Jihad. He has never set foot in Peshawar, let alone in Europe.

It is Professor Rabbani, chief of the Jamiat-i-Islami (Massoud's party), who does the travelling and spreads the word in the West, --and to the donors in the Gulf--about his cause. Paris, London, Washington, Jeddah, the soft-spoken professor conscientiously goes about doing his job. Accompanying him is a "kyrielle" of permanent staffers, "officials of the Jihad," who set up contacts with the foreigners: diplomats or reporters, adventurers, mercenaries or novelists whose inspiration has run into the doldrums.

In Pakistani circles opposed to Gen Zia-ul-Haq, there is what they call, when they rail against it, the "bureaucratization" or even the "commercialization of the Jihad." "There are now somewhere between 3,000 and 4,000 Afghan bureaucrats in Peshawar alone," admits a western resistance sympathizer. "That's all well and good," replies a doctor here with a humanitarian organization "but it is we, the western donors, who oblige them to build themselves a structure to organize, to manage the aid we send them in sort, to bureaucratize themselves." Quite true.

Marketplace-cum-Arsenal

Three years ago, in the border town, there were fewer than 150 foreigners. As of now in the charming little villas in University Town, one of the chic neighborhoods in the city, there are more than 500 of them. Physicians, nurses, teachers, supervisors, military advisers, agricultural advisers, and "humanitarian advisers" of every conceivable stripe. "In these times," says one expert who knows them well, "the aid organizations are even more tribalistic than the Mudjahiddin themselves. And they spend some of their time demolishing whatever their neighbor may be doing."

It is a regrettable state of affairs attributable to a surfeit of course. But there is so much to be done for the 2 million Afghan refugees (Footnote 1) (A group of United Nations experts that came here to inspect refugee camps last November discovered that they sheltered some 1.9 million people, rather than the 2.7 million figure the Pakistani Government was claiming at the time.) that no resistance movement even contemplates letting go of even a single "humanitarian."

"We need even more of them," they tell you at Jamiat headquarters. Huddled over his Macintosh computer and his bank of telephones, Mohamad Ishaq, the group's "political officer," delivers himself of the ritual complaint about "the craven cowardice of the rest of the world" in the face of the communist invasion of his country . . .

Notwithstanding all that, despite Pakistani and Afghan corruption, (between a quarter and a half of the foreign weapons offloaded at Karachi and consigned to the "djihad" are routinely skimmed off), the Mudjahiddin admit that their firepower, at least in light weapons, has improved markedly. Besides, they are not the last to resell what surplus they have on the arms markets in the

tribal zones (Footnote 2) (A buffer zone between Pakistan and Afghanistan, about 250 kilometers long and 59 to 90 kilometers wide. The tribal territories are not subject to Pakistani law, but by independent tribal councils known as "jirgas." Most of the arms and drug traffic is funneled in to them or out of them.)

At the bazar-cum-arsenal in Darra, an hour's drive from Peshawar, a Chinese-made kalashnikov goes for 9,000 francs; you can get a local knockoff for a mere 4,000 francs. The Affridis--a Pashtun border tribe--have a reputation for being able to copy just about any weapon made anywhere in the world. And from one little storefront to another, amid the perpetual din of weapons being tried out in the alleys, the visitor is beset with offers of revolvers, pistols, and light machineguns of every make and every calibre. You can also find Russian-made weapons captured or bought from the enemy and resold by the Mujahiddin.

Some of the 211 shops lining the road offer antitank mines at 10 francs apiece, and light cannon (1,500 francs apiece). But, contrary to the widely spread legend on the Northwest Frontier (Peshawar province), the Darra Affridis apparently make neither mortars nor missile-launchers--much less American "stingers," the kind promised last year by Washington, but which nobody in the region has ever seen. As one rumor has it, the Pakistani army, not all eager to encourage any more than necessary the escalation of the conflict on its borders, is interdicting delivery of these dreaded surface-to-air missiles to the Mujahiddin . . .

Where Contraband Is King

The SAM-7s, though, manage fairly well to get to their destinations. In inadequate numbers, of course, but everybody knows that some of the arms shipments that land there wind up in the pockets of the Pakistani army, which is to say in the hands in the Pashtun arms dealers.

All told, the "business Jihad," which is routinely denounced by the leftist Pakistani parties, is still making headway, and the ostentatious prosperity of Peshawar, "economic capital of the Holy War," is there to prove it.

The Kucchi marketplace in the downtown area is up to its ears in Soviet-made refrigerators and air-conditioners, which are much in favor because of their low price. All kinds of Japanese and American audiovisual equipment are displayed on the shop-counters, cheek by jowl with German-made telephones and Russian textiles. Despite the Islamic prohibition that prevails throughout Pakistani territory, you can quench your thirst in Peshawar with Muscovite vodka and American whisky to your heart's content. If your pleasure is Cuban cigar or Russian caviar, you can pick them up a little further out of town at Jamrud, on the road to the Khyber Pass.

As a frontier town, Peshawar "has always been the kingdom of contraband," says one local merchant. "But the war has doubled or tripled our volume of business. If it were ever to stop, we should be ruined."

INDIA

NEWSPAPER ARTICLES ON COMING GORBACHEV VISIT

Report From Moscow

Calcutta THE TELEGRAPH in English 5 Oct 86 p 1

[Article by M. J. Akbar]

[Text]

Oct. 4: The Soviet Union expects India to play a crucial role in creating the Asia-Pacific security forum, a major new initiative of Soviet foreign policy.

This forum, a brainchild of Mr Mikhail Gorbachyov, is an ambitious attempt to organise a summit of all the nations of Asia and the Pacific region from war-ridden West Asia to the United States on the other side of the Pacific Ocean.

Mr Gorbachyov is likely to use the opportunity of his visit to India in late November to push this idea and seek India's help in the diplomatic wooing that will be essential before this thought becomes a reality. India's participation is considered essential: without help from one's best friend in Asia the chances of welcome from those who are indifferent or openly hostile clearly become bleak.

The rationale for such a summit is that Asia has been the principal scene of conflict in the world after the last War. If peace can be established on this continent, the world clearly will become a safer place.

Moreover, the Soviets argue, Latin America, Africa and Europe have organised and institutionalised forums for consultations. Why should the continent which needs the idea most be denied it?

Mr Gorbachyov first told Mr Rajiv Gandhi about this during the latter's visit to the Soviet Union in May last year. But the emphasis then was only on Asia. Now, in consonance with the Soviet effort to stop the nuclear arms race, the emphasis is being shared with the Pacific since that region has

become the principal deployment area for nuclear warheads, thanks to the nuclear submarines.

The expansion of the scope of the summit also has the merit of including the United States without whose cooperation the idea simply would not work. The Soviets recognise that the US has legitimate interests in Asia. But more than that, they are anxious to avoid any accusation of hegemony. The Soviets are depending on India to do some of the persuading for them, particularly with pro-US nations like the Asean group. The Soviets have broached the idea to China themselves.

Mr Gorbachyov is staking a good deal on this idea, even as he continues his "peace offensive" against Mr Ronald Reagan. And he expects help from Mr Rajiv Gandhi. The warm personal relations between the two are already the stuff of conversation on the diplomatic circuit, but whether India will play ball on this idea remains to be seen.

In the last week of July, Mr Gorbachyov made a speech in Vladivostok which sent shudders down many spines for its open attack on what was wrong in the system. But the speech was more than that: it articulated the thrust and content of the Gorbachyov philosophy.

The mention of the Asia-Pacific security forum in that speech indicates that the idea has moved to the higher levels of his agenda. Mr Gorbachyov now seems ready to take charge of his idea, to steer it through the maze of doubt, scepticism and hostility that it will doubtless generate in some capitals of the world. But the first capital he will have to convince is New Delhi.

HINDU Analyst's Comment

Madras THE HINDU in English 7 Oct 86 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Oct. 6.

The Soviet leader, Mr. Mikhail Gorbachev, is expected to make an appropriate reference, during his forthcoming visit to India, to his proposal for an Asia-Pacific security arrangement which he advocated in his famous speech at Vladivostok in July last.

Apart from emphasising the need for some such security arrangement in Asia during his private talks with the Prime Minister, Mr. Rajiv Gandhi, he is likely to commend the idea in the course of his address to members of Parliament.

Roping in U.S.: An important feature of Mr. Gorbachev's proposal is that, unlike the Brezhnev doctrine, it does not call for an Asian security pact under Soviet auspices. In his Vladivostok speech, he stated quite specifically that both the U.S. and the Soviet Union should participate along with other countries of the Asia-Pacific region in such a security arrangement.

He said: "We clearly realise that the U.S. is a great Pacific power, primarily because a considerable part of that country's population lives on the shores of this ocean. And the Western part of America, gravitating towards this area, is playing a growing part in its life. Besides, the U.S. undoubtedly has important economic and political interests in the region."

In urging joint Soviet-American participation in such an arrangement, Mr. Gorbachev went

on to stress that "no doubt, without the U.S., without its participation, it is impossible to resolve the problems of security and cooperation in the Pacific region".

Asia's response: Though the Gorbachev proposal has been put forward in a more acceptable form, the general response of the Asian countries including China, India and Japan will depend on how far the U.S. and the Soviet Union are prepared to shed their geopolitical rivalries and cooperate in making a joint appeal for a Helsinki-type conference to discuss this idea of a collective security pact.

The Asia-Pacific region is a vast area, consisting of more than 30 countries with a population of over 2.5 billion people, which cannot be brought together without some imaginative initiative by the two superpowers after settling other major problems that continue to divide them.

In India's interest: It would be in India's interest, according to observers here, to underwrite this security proposal and identify itself with the Soviet initiative, without waiting for the outcome of the Soviet-American efforts for better understanding in other regions of the world. And for the time being India would be more inclined to concentrate on the bilateral aspects of Indo-Soviet relations, extending support only to such issues of international importance as nuclear disarmament on which its views coincide with those of the Soviet Union.

Help With PRC Ties

New Delhi PATRIOT in English 8 Oct 87 p 7

[Article by Rajiv Shah]

[Text]

Moscow, Oct 7 —Diplomatic sources here confirm that the controversial Asian security proposals advanced by General Secretary Mikhail Gorbachyov during his famous Vladivostok speech are likely to figure prominently in the Soviet leader's talks with Prime Minister Rajiv Gandhi to be held in November in New Delhi.

However, they assert, that still India regards the Asian security questions in an 'evolving stage' because, according to them, the situation is complex as a re-

sult of so many hotbeds of tension in Asia and the Pacific. Yet, economic contacts, through such bodies as the South Asian Association for Regional Cooperation (SAARC) could become a good 'precursor' to finding out ways of evolving Asian security. Hence the possibility of a joint declaration on the Asian security questions in the Rajiv-Gorbachyov summit on the issue, though fully keeping in view the fact that it cannot be allowed to boil down to Indo-Soviet ties.

It is also believed here that the

China factor need not worry the Asian and Pacific region countries in evolving a system of comprehensive security there. The favourable developments in Sino-Soviet relations over the past few years, which have got accelerated of late, are not only not detrimental to any third country, but are likely to help improve the political climate in the entire region. Even Mr A P Venkateswaran, secretary to the Indian Foreign Affairs Ministry, admitted this in his talks with newsmen at the end of his visit to the Soviet Union on 5 October

when he said that "if there is any one who can really help us improve our ties with China it is none other than Mikhail Gorbachyov".

Meanwhile, Soviet observers here have indicated that the Gorbachyov meeting with Mr Rajiv Gandhi and the talks on Asian security questions will further assume significance in view of US Defence Secretary Casper Weinberger's current tour across the Asian region — Hong Kong, China, India and Pakistan — which began on 5 October and is to end on 22 October.

Washington is believed to have attached special significance to Mr Weinberger's tour because, according to a Soviet publicist, the "purpose is to consolidate US positions in the region, to justify the massive build-up of US armed forces in Asia and the Pacific Ocean area and to put pressure on those countries which reject US aggressive mili-

tarist course".

Soviet commentator Yuri Kornilov has particularly noted that on the eve of his departure from the US Pentagon chief made it clear that the pivotal core of his talks will be security issues or in other words, the spreading of the "hackneyed thesis about a certain Soviet threat which the US must resist".

Another commentator notes, "as is clear from Mr Weinberger's speech in Anchorage, Alaska, where he made a stopover on his way to Hong Kong, Washington regards with obvious concern the latest Soviet peace proposals aimed at building confidence and security in the Asian-Pacific region". He goes on to add, the proposals are known to have aroused a broad positive response. This is why the Pentagon chief in every way sought to belittle the importance of these large-scale initiatives and tried to prove their unacceptability to the US".

Soviet sources also watch with concern that much attention during the talks in Islamabad will be devoted to matters aimed at increasing US military and economic aid to Pakistan. A new six-year plan will be discussed in this context. The programme envisages the granting of more than \$ 4,000 million beginning from the 1988 fiscal, to the Islamabad regime. Says a Soviet observer, "it is well-known what has caused Washington's increased attention to the establishment of military contacts with Pakistan: It is precisely from Pakistani territory that the US conducts undeclared war against Afghanistan."

After concluding the Asian leg of his tour, Mr Weinberger will make a brief stopover in Egypt and will then go to Rome. Soviet sources say, "one of the first priority matters will be the discussion of Italy's participation in the Star Wars plan".

Foreign Secretary's Moscow Talks

Madras THE HINDU in English 7 Oct 36 p 7

[Text]

MOSCOW, Oct. 6.

A new billion-rouble credit by the Soviet Union to finance collaboration projects in India has been discussed here for consideration at the New Delhi summit next month.

The issue figured at the talks between the Foreign Secretary, Mr. A. P. Venkateswaran, and Soviet officials in preparation for the visit by the Soviet leader, Mr. Mikhail Gorbachev, to India from November 25. Mr. Venkateswaran, together with the Ambassador, Mr. T. N. Kaul, met Mr. Anatoly Dobrynin, CPSU Secretary overseeing Soviet foreign policy planning, on Sunday.

Mr. Venkateswaram during his three-day visit, had two sessions with Mr. Yuli Vorontsov, First Deputy Foreign Minister, and a meeting with Mr. Konstantin Katushev, chairman of the State Committee for External Economic relations.

On the Soviet offer of nuclear power reactors, made to the late Prime Minister Indira Gandhi, during the Moscow summit in September

1982, he said the question was still open. Mr. Venkateswaran denied reports that the Department of Atomic Energy had turned down the offer of two 440 MW reactors for an atomic power station in India.

The kind of power reactor India could utilise and the fate of spent fuel were matters to be taken up after the 'safeguards' issue was settled, he said.

Not enough: Talking to Indian correspondents, Mr. Venkateswaran said the Soviet credit for collaboration projects in India would have to be greater than the one billion roubles agreed upon at the last Indo-Soviet summit held in May 1985 in Moscow.

Mr. Katushev is arriving in New Delhi on October 20 for finalising details of the new projects to be submitted to Mr. Gorbachev and the Prime Minister, Mr. Rajiv Gandhi, at the summit. The projects being discussed were in the energy sector—power, petroleum, coal—and the steel sector, Mr. Venkateswaran said.—PTI

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CSO: 4600/1108

INDIA

MEETING DISCUSSES ASPECTS OF TRADE WITH SOVIETS

New Delhi PATRIOT in English 5 Oct 86 p 9

[Text]

Minister of State for Public Enterprises K K Tiwari has said the rupee payment agreement for trade with the Soviet Union had worked successfully and the projected trade turnover for 1986 was over Rs 4850 crore, reports PTI.

The turnover is expected to cross Rs 10,000 crore in 1990, Mr Tewari said while inaugurating an open house debate on "Import Strategy for Indo-Soviet Trade" organised on Saturday by the Indo-USSR Chamber of Commerce and Industry.

Mr Tewari said the leaders of the two countries had fully grasped the essential fact that a strong and independent India needed a sound industrial and infrastructural base without at the same time involving any serious external debt problems.

Thanking the USSR Government for providing substantial economic assistance for development of capacities in vital sectors like steel, Mr Tewari said, the repayments have and are providing partly the rupee resources for promotion of trade.

Emphasising the need for production cooperation between the two countries, Mr Tewari said that it is for entrepreneurs to exploit this avenue. Further, production cooperation will have considerable impact on mutual trade transaction between both the countries and enhance the levels of two way turnover in trade.

He noted that the Soviet Union was keen on improving the availability of consumer goods to

its people and said this was another area for Indian exporters to tap.

UNI adds: The economic policies now being followed by the Governments of India and Soviet Union provide vast opportunities, for expanding the bilateral trade, an "open house" debate between the two countries found.

The Indian private sector, particularly, can play a major role in it. This was the thrust of the debate on "Import strategy for Indo-Soviet Trade" organised by the India-USSR Chamber of Commerce and Industry.

Both Indian and Soviet participants agreed on the need for a more dynamic approach to pushing two-way exports and imports and bridging the communication gap about each other's export potentials.

It was noted that Indo-Soviet trade, which totalled Rs 4,400 crore last year, instead of going up, might be 10-15 per cent lower this year, mainly due to steep fall in international prices of crude and petroleum products on the one hand and fall in prices of items like tea, which India exports to the Soviet Union, on the other.

The interim recommendations of a committee headed by Vivek Singhal on strategies to be adopted for import from the Soviet Union was the main subject of discussion.

The committee, among other things, has pleaded for reducing customs duty on certain selected items when imported from the

Soviet Union and allowing import from the country of items like electronic components, earth moving equipment and fertilisers without going through the formality of global tenders.

In his presidential address commerce secretary Prem Kumar said there was no discrimination against the USSR in terms of any price differential in trade. India had a broad agreement on trade preferences with some countries which could not be violated, he said adding there was also no restriction on tariff vis-a-vis terms imported from the Soviet Union.

Mr G V Admitrenko, deputy chief economic counsellor for USSR in India, said the issue of setting up in India a number of large projects on a trunk basis was "under the active consideration of the Soviet Government.

This could open up possibilities for inviting private companies for implementation of the projects, he said.

Discussions were also underway with Indian private firms on cooperation in setting up a large thermal power station, rubber plant, manufacture of steel pipes, processing of soya beans and construction of a petrochemical complex, he said.

Soviet organisations are also considering the issue of establishing in Bombay free trade zone a joint venture for the production of electronic items like personal computers, he said.

Earlier, Mr Manubhai Shah, former Commerce Minister and president of the Chamber welcomed the gathering.

INDIA

INDO-JORDANIAN RELATIONS ON EVE OF HUSAYN VISIT

Madras THE HINDU in English 6 Oct 86 p 5

[Article by F. J. Khergamvala]

[Text]

BAHRAIN, Oct. 5.

Much as India's historical links with the Arab world have been restricted by and large to the cluster of countries around the Gulf, it is trade and economic exchanges with the north African and Levant areas barring Israel that have gained momentum over the past few years. Jordan has pride of place amongst these, with exports worth Rs. 94 crores to India in 1984-85. The long awaited bilateral State visit to India by King Hussein bin Talal next week could give the needed impetus to enhance and diversify these links.

The Hashemite monarch last visited India in March 1983 to attend the seventh non-aligned summit. The Prime Minister, Mr. Rajiv Gandhi, met him in November last year in Muscat during the national day celebrations of the Sultanate of Oman. Such occasions, however, hardly permit an extensive personal exchange of views or a review of bilateral relations.

Big trade gap: India's imports from Jordan comprise mainly fertilizer and phosphates. In the reverse direction travelled some Indian food worth a negligible Rs. 4.4 crores during 1984-85. In July this year, both countries completed a counter-trade deal under which India bought Jordanian fertilizer in exchange for 50,000 tonnes of wheat at \$100 a tonne, although the prevalent international price was \$90.

The aim of this exchange is nourishment of a trade and economic arrangement concluded in February this year whereby the Minerals and Metals Trading Corporation will buy more than Rs. 120 crores worth of fertilizer from Jordan. In return, it will buy Indian goods valued at Rs. 36 crores, thus narrowing the trade gap. During 1984-85, this was close to Rs. 90 crores in Jordan's favour.

At the bilateral talks during King Hussein's visit, both sides will look at ways of diversifying trade and economic links. Jordan is particularly keen to step up fertilizer export. India and China have been specially earmarked for concentrated marketing. Its policy is to use counter-trade to boost phosphate exports.

The planned increase in production is to be sopped up using counter-trade, and barter is expected to account for 15-20 per cent of sales. Also, foreign companies working on official contracts valued at more than \$13 millions must accept phosphate or potash to 35-50 per cent of contract value. Under this scheme, a number of Indian companies are entering the Jordanian market.

IRCON bags contract: They are poised to win two contracts valued at a combined \$125 millions. One concerns construction on part of a major road. As for the other, the Indian Railway Construction Co. (IRCON) has just been awarded a \$5 millions contract to modernise and extend the Agaba locomotive workshop. The key to winning such awards in the Jordanian economy is increased fertilizer purchase. The MMTC is likely to join forces with BHEL to bid for a major thermal power project.

On the political front, India should gain substantially from the visit. Save for some support for the PLO, India is by and large a static observer of the West Asian scene. For years, New Delhi has gone headlong into a policy of support for Mr. Yasser Arafat, without comprehending the constantly shifting sands in the region. Indications are that New Delhi's policy may be under review, to take in the nuances of developments in West Asia.

May carry weight: Jordan is practically at the heart of this turmoil. Much has happened since King Hussein and Mr. Gandhi met in Oman, although the so-called peace process, whether in Lebanon, the Gulf or on Palestine matters, remains stalled. The Jordanian monarch's views on developments in the region are expected to carry considerable weight in the evolution of reviewed West Asian policy.

King Hussein has marginally stepped out of the mainstream Arab line on Palestine. But he has the tacit support of a number of Arab countries unwilling to commit themselves publicly.

He is unquestionably one of the few Arab leaders, and certainly the only one close to the conflict zone, whose credibility extends from Washington to Moscow. He is also held in the highest esteem by all Arab leaders, except Col. Qadhafi of Libya. Thus, an extensive dialogue with

him would give new Delhi a moderate overview of the entire problem and of the tangled alliances confronting the Arab world.

It is almost certain that India and Jordan will jointly express support for the proposed international conference on West Asia. King Hussein is also well placed to explain the ramifications of the recent Morocco-Israel dialogue, and the likely effects of the hawkish Likud-led coalition taking over power in Israel next week.

Problem of Indians: Consular aspects of the nearly 6,000 Indians in Jordan would also be part of the agenda. Over the past two years, there has been a 25 per cent reduction in the number of Indians in Jordan, mainly because of the local authorities immediately deporting foreigners without valid work permits. Indians are not alone and share the exit boat with other Asians. These stringent measures have been taken to accommodate and provide jobs for the Jordanians returning — nearly two lakhs in a population of 3.5 million — from the recession in the Gulf.

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INDIA

ARUNACHAL PRADESH TOWN FEARS CHINESE TAKEOVER

Calcutta THE STATESMAN in English 8 Oct 86 pp 1, 9

[Article by Ghanshyam Pardesi]

[Text]

TAWANG.—"Nobody wants war in Tawang" remarked Mr Tsering Tashi who represents Tawang in the Arunachal Pradesh Assembly and is also the Union Territory's Finance Minister. He pleaded for a "peaceful solution" of the border dispute, and was joined during the Assembly's two-day special session at the end of September by his brother-in-law, Mr Karma Wangchu, who is also an MLA from Tawang and whose constituency includes the Sumdorong Chu valley. The Chief Minister, Mr Gegong Apang, and many other legislators also urged the Centre to settle the border dispute with China expeditiously and peacefully.

This is not only because people are haunted by memories of the 1962 war but because of uncertainty regarding the status of Tawang and many other parts of Arunachal Pradesh. Not because they doubt the region's status but because incidents like the Sumdorong Chu intrusion reinforce their might find themselves in China. The people of Tawang have reason for misgiving for Sumdorong is, after all, not very far from Tawang town.

Life is still normal in the town:

people go about their work as casually as they have always done. But this is an unnatural casualness that can barely conceal the tension building up due to the massive movement of men and material closer to the border. The Government has not even cared to issue any special news bulletins from Tawang AIR allaying the fears of local people. Those who regularly monitor Chinese broadcasts told this reporter that so far they have not started any propaganda war. What they have done is to quietly come to Sumdorong and bring it under their effective control.

Tawang has been with us only since 1951 when taking advantage of the weak position of Tibet and of China, which was then engaged in the Korean war, Major Robert Khating of the Assam Rifles established a post there and hoisted the Indian flag for the first time.

A lot of changes have taken place since then. In 1962 Tawang was captured by the Chinese and then returned. In the past 31 years it has been fully integrated with the rest of the country in so far as the political, administrative, educational and linguistic aspects fear that one day some of them are concerned. Now the Monpas, the local tribe, feel embarrassed

if you call them Tibetan. They even oppose the settlement of Tibetan refugees in Arunachal Pradesh.

Monpa children do not understand the Tibetan language but speak chaste Hindi. They also seem to be very happy to be Indian citizens. Though many of them still have relations on the other side of the border and have ethnic, cultural and religious links with Tibet, they have also developed close ties with India and are loyal citizens. All the people I met wanted me to inform the rest of the country that they are solidly behind the Government and will not allow China to intrude further into Indian territory.

The first reason for this preference is what they describe as India's welfare policies. Monpas, like other ethnic Tibetans, particularly, the peasantry, had no experience in 1950 of what a welfare state could do for them. Their only experience was of paying crushing taxes to dual authorities. In addition, they also had to provide free labour to officials. Before 1951 the Tawang peasantry paid taxes to the Tibetan authorities at Tsona, a few days march from the present border to the

north, from where officers visited Tawang each year and were provided with free labour and hospitality. Villagers also paid taxes to Tawang Gumpa; though they do so still, it is more a social than a legal requirement. Major Khating's announcement that they did not have to pay any taxes baffled the Monpas at first; they have now found that they are also entitled to many benefits.

The second reason why the Monpas are with India is the Government's liberal attitude to their religious life. After the destruction of monasteries and

monastic life in Tibet, they were surprised when the Arunachal Pradesh administration made huge grants to Tawang Compa to undertake much needed repairs to maintain the three-centuries-old buildings.

Tawang Compa is perhaps the only important Gelukpa sect monastery outside China which continues to function normally in a natural environment. More than 366 young monks live and pursue their religious studies under the abbot, Gyaltse Rinpoche. Like the Potala, though not as massive, it overlooks the small Tawang valley which has less than 5,000 inhabitants.

Recently there has been some liberalization in Tibet, and the Chinese have tried to revive some of the old and famous monasteries. This information has filtered into Tawang and other border villages. A few people, perhaps 10 to 15 per cent of those who live close to the border, have been influenced by such propaganda, increasing the work of our security agencies. But the Monpas have adopted a stoic attitude to the border trouble. Asked what would happen if the Chinese came, they replied: "We would not go anywhere.... Only the rich among us and outsiders would flee.... We would stay here.... They have unhappy memories of 1962 when they fled to the Assam plains.

Unfortunately, the Government has not clarified how the trouble started. Confusion is obvious. My inquiries revealed that we had set up an intelligence observation post in Sumdorong Chu in 1984. The local belief is that according to the Colombo agreement which followed the 1962 conflict we were not supposed to be going into Sumdorong Chu, but yet we set up a post there two years ago.

But it was only a shack where food was cooked. We did not even have a proper place in the valley where to build a permanent post. Contrary to reports that we were caught napping, Chinese movements in Sumdorong Chu were immediately reported to Delhi. Early this year a party went to Kinzemani to keep watch over the valley because they were expecting the Chinese. It became an intrusion only when the Chinese stopped overnight and cleared the ground for helicopters to land. It is no secret that there is also an Indian helipad in Zimithang very close to Sumdorong, 10 minutes' flight from Tawang down. Zimithang is a tehsil of Tawang.

The border checkpoints are manned by the Subsidiary Intelligence Branch who are given protection by Special Security Branch. Neither agency has any orders to confront the Chinese. Their job is only to gather information and pass it on to Delhi. This they did within hours of the intrusion.

The Indian Army has not come into picture for it sticks to what it has been told to consider the international border which is a couple of kilometres--more than 10 in some places--behind the line of actual control. The actual line of control is manned mainly by the para-military forces, with the Special Branch also collecting external intelligence. There are so many of these agencies that often one does not know what the other is up to.

Very few officers from Delhi visit these advance stations. It is not easy climbing the steep ridge of more than 14,000 ft. facing Kinzemani from where one has to climb down to the valley. Such Indian personnel could not take

tents or food, not even a rucksack, on the climb, they had to return to Kinzamani on the same day.

If Sumdorong lies within the line of actual control, why did we not build a helipad and a permanent post there, and keep in regular touch with the area by transporting men and material by helicopter from Zimithang? It would take barely 10 minutes from Zimithang for the helicopter to reach Sumdorong. But we did not do that.

The widespread belief is that the Government is still not sure whether Sumdorong belongs to India. An observation post does not really mean anything. I checked in Tawang and found no proof to show that Sumdorong is included in any district on revenue maps. The Deputy Commissioner, Mr Lhendhup, told me that maps are supplied only to the military and if I was keen to see one I would try in Itanagar. He also gave me to understand that nobody has "gone so deep" while preparing maps. I gathered in Tawang that Sumdorong may be in disputed territory well north of the McMahon line.

It would have been better to say that Sumdorong is in Indian territory and that we will take all necessary steps to ensure that the Chinese vacate it. But, first we should be absolutely sure that the valley does, indeed, lie on our side. A war can cost crores of rupees. Secondly, it is a fact that we occupy a better position (even without Sumdorong) in the eastern sector and if we take proper care to improve defences, roads and other communication channels, we will be able to retain what we already have.

A peaceful settlement of the border dispute will help to restore border trade at the village level. Mr Tashi says that the Tawang people already trade with bordering Bhutanese villages. Improved relations with China will open new opportunities for these border villagers who find it difficult to trade with the plains. Their requirements are also different. For instance, it is easier for Tawang to get rock salt from across the border from Tsona than from the Assam plains.

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CSO: 4600/1106

INDIA

STRATEGY TO HELP SOUTH AFRICA NEIGHBORS PRESENTED

Bombay THE TIMES OF INDIA in English 6 Oct 86 p 1

[Text]

NEW DELHI, October 5
(PTI).

INDIA has prepared a technoeconomic report on steps to end South Africa's strangle hold on landlocked countries like Zimbabwe and Zambia with respect to access to ports.

The report was presented by the Prime Minister, Mr. Rajiv Gandhi, to the Zimbabwe Prime Minister, Mr. Robert Mugabe, and President Kenneth Kaunda of Zambia at the Harare summit last month.

Prepared by the Rail India Technical and Economic Services (RITES), the report deals with ways of coping with a situation after the international community imposes comprehensive and mandatory sanctions on Pretoria and the southern ports of Durban, Cape Town and Port Elizabeth are closed or boycotted.

Beira Port in Mozambique and Dar-es-Salaam Port in Tanzania, both on the Indian Ocean, would then be the only transport options left to the landlocked countries, the report reckons. The Maputo Port in the capital of Mozambique cannot be used after because of its proximity to South Africa.

PROPOSED STRATEGY

As part of a strategy at developing self-reliance on the part of the frontline states in transport and communications, the RITES report proposes rehabilitation and optimisation of the two railport systems of Beira and Dar-es-Salaam.

This is sought to be done by providing software and support initially, followed by supply of rolling stock and other equipment. To this end, the frontline states would need a support

package of \$75.3 million, it is estimated.

RITES, an undertaking of the ministry of railways, has executed prestigious railway consultancy jobs in a number of African countries. In an interview, its managing director, Mr. R. Parthasarathy, said he was confident that the RITES specialist team could provide feasibility study of new rail lines in frontline states, rehabilitate the existing railway and provide in addition telecommunication facilities.

The RITES report makes a pointed reference to the need for keeping the two sea outlets, especially the Beira corridor, open from South Africa-assisted rebel attacks.

Already, 12,000 Zimbabwean soldiers are on duty in Mozambique guarding the railway connection to Beira Port. Yet, only two or three trains run a day on this route. No rail traffic is possible during the nights in the face of the danger of rebel activity.

The frontline states are only too aware of the need to intensify security and defence of the Beira connection.

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CSO: 4600/1110

INDIA

ENVOY CALLED FROM KARACHI TO DISCUSS PAKISTAN RELATIONS

Madras THE HINDU in English 9 Oct 86 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Oct. 8.

The Indian Ambassador in Islamabad, Mr. S. K. Singh, and the Consul-General in Karachi, Mr. Aftab Seth, have been called to Delhi for consultations on the present state of Indo-Pakistan relations, which has been soured further by the recent hijack episode.

The two Indian diplomats called on the External Affairs Minister, Mr. P. Shiv Shanker, and the Foreign Secretary, Mr. A. P. Venkateswaran, to apprise them of the possible motivations behind Pakistan's reluctance to divulge the identity of the hijackers and the outcome of the investigations into the incident that ended tragically with the loss of so many Indian lives.

It is not merely the inept handling of the so-called rescue operation that continues to infuriate India, but also the suspicious attempts to cover up this shocking event by deliberately prolonging the investigations. Whatever the real position, the circumstantial evidence is such that India is obliged to proceed on the assumption that Pakistan is not disclosing all the information in its possession.

Evasive tactics

In these circumstances, the Government of India has already started thinking in terms of what action should be taken to put Pakistan on the mat and expose its evasive tactics before world opinion. But surprisingly the U.S. has not been putting any pressure on Pakistan to deal with these hijackers sternly, despite all its exhortations to other countries to put up a collective fight against terrorism.

All these aspects of the hijack episode came in for detailed discussion during today's talks on Indo-Pakistan relations. The Government of India does not see any possibility of an early end to the present stalemate that has brought the interrupted dialogue to a complete halt.

Apart from the hijack episode which has been arousing bitter feelings here, there are several other developments that have caused

serious setback to the normalisation process, including the attempt to rake up the Kashmir question. In this strained atmosphere neither side is now talking of a no-war pact or friendship treaty to open the way for amity and understanding between the two peoples.

The latest assessment in Delhi is that the present freeze in Indo-Pakistan relations will continue for sometime, before a thaw can set in through fresh initiatives from either side. The best that can be done in these circumstances is to prevent a further deterioration of relations through mutual recrimination.

Hopeful feature

A hopeful feature of this otherwise depressing situation is that there is no danger of another war in the foreseeable future, although India cannot afford to revise its threat perceptions or relax its vigilance. The Indo-Pakistan relationship remains fouled more by political factors than by fears of a fresh military confrontation.

The best that India can do in these difficult circumstances is to learn to live with this impasse for the present, while keeping the door open for a resumption of the stalled dialogue at a psychologically opportune moment. And Pakistan cannot expect India to take the lead in restarting the normalisation process without some binding assurance that it is not engaged in any diabolical bid to cover up the hijack episode.

/9274

CSO: 4600/1111

INDIA

INDIAN PAPER NOTES 'CENSORSHIP' BY NEPAL

Calcutta THE STATESMAN in English 3 Oct 86 p 9

[Text]

NEW DELHI, Oct. 2.—The Government of Nepal seems to have launched a censorship drive in the process restricting the entry of newspapers from India which carry any critical references to Nepal.

The Statesman is the latest victim of this censorship. Nepal is believed to have banned the newspaper from September 21. The paper carried a statement by Mr Ganesh Man Singh, the Nepali Congress leader, detailing various plans for a "mass agitation" to be launched by his party in Nepal.

All issues of The Statesman's September 27 edition were confiscated in Kathmandu. Supplies of the newspaper sent in the normal course during the next three days

have also been confiscated.

The Nepalese Ambassador in India was not available for comment. But the First Secretary of the Embassy, when asked about the ban on the newspaper, said: "We have no information".

This is not the first time that The Statesman has faced the wrath of the Government of Nepal. The newspaper has had more than 2,000 copies of its edition of August 14, September 19 and November 11 last year and March 3 this year confiscated by the Nepalese Government.

According to informed reports, all Indian newspapers are censored on arrival at Kathmandu airport and no newspaper with any critical reference to any action in Nepal is allowed to be distributed in the country.

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CSO: 4600/1099

INDIA

INDO-BANGLADESH MEETING DECIDES ON FARAKKA STUDY

Calcutta THE STATESMAN in English 6 Oct 86 p 9

[Text]

NEW DELHI, Oct. 5.—Technical experts will undertake intensive studies for augmenting the flow of the Ganga at Farakka, according to a decision reached at the two-day meeting of the India-Bangladesh joint committee of experts, which ended here yesterday.

The decision was reached after detailed discussions on a long-term scheme or schemes for augmentation of the water flow, as also on the study of possible alternatives for sharing the common river water resources.

On completion of their intensive studies, the technical experts will submit proposals at the next ministerial level meeting scheduled to be held in November. The two-day meeting was the sixth meeting of the joint committee in pursuance of the India-Bangladesh memorandum of understanding of November 22, 1983.

The participants included Mr Mohammed Ali, Secretary, Irrigation, Water Development and Flood Control, Government of Bangla-

desh, and Mr Ramaswamy R. Iyer, Secretary, Ministry of Water Resources, Government of India. They were assisted by advisers from both countries.

Noting the response of the Government of Nepal to the joint approach made by the Governments of Bangladesh and India, the committee also decided to visit Nepal between October 27 and 30.

The next meeting of the joint committee will be held at Dhaka immediately after the Nepal visit. The meeting will finalize the report for submission to the ministerial level meeting in Bangalore in November.

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CSO: 4600/1102

INDIA

CZECHOSLOVAK COMMUNISTS, CPI-M SIGN AGREEMENT

LD030337 Prague CTK in English 2103 GMT 2 Oct 86

[Text] New Delhi Oct 2 (CTK correspondent)--A two-year agreement on cooperation between the Czechoslovak Communist Party and the Communist Party of India (Marxist)--the first of its kind--was signed here today at the conclusion of talks between the two parties' delegations.

The Czechoslovak Communist Party delegation, led by its Central Committee Secretary Michal Stefanak, and representatives of the Politburo of the Communist Party of India (Marxist) expressed interest in the development of relations, confirmed support for the peace initiatives of the Soviet Union and the other socialist countries and the peace efforts of the Non-Aligned Movement and resolutely condemned the U.S. imperialist policy.

The Indian representatives also stressed the significance of the joint struggle of all peace-loving and democratic forces for eliminating the nuclear threat and liquidating the hotbeds of tension in Asia.

At the close of its visit to India, the delegation of the Czechoslovak Communist Party, led by Michal Stefanak, was received by General Secretary of the Communist Party of India Chandra Rajeshwara Rao.

He voiced satisfaction with the development of relations between the two parties and confirmed the interest in their extension.

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CSO: 4600/1113

INDIA

ASSASSINATION TRY RAISES DOUBTS OVER SECURITY

Report by HINDU Analyst

Madras THE HINDU in English 3 Oct 86 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Oct. 2.

The Prime Minister, Mr. Rajiv Gandhi, was saved miraculously from a dastardly attempt on his life today, when a lone gunman hiding in a thicket fired at him from a fairly close range at Rajghat, as he was leaving the hallowed precincts after paying homage to the Father of the Nation on his birth anniversary which is observed as a State occasion.

The whole country heaved a sigh of relief over his providential escape from this assassination attempt, since the two bullets fired from a countrymade revolver had missed him, giving the security staff a chance to spot and overpower the gunman.

The clean-shaven fanatic in his 20's, who made this abortive attempt on the Prime Minister's life, had eluded the security staff and managed to hide overnight in the thick overgrowth of a bush creeper canopy over brick pillars near the VIP entrance to the Mahatma Gandhi Samadhi by camouflaging himself in olive green fatigues to evade detection. The police later recovered from his hide-out some eatables and a water bottle indicating that he spent the night there waiting for a chance to fire at Mr. Rajiv Gandhi when he came to attend the prayer meeting in the morning as part of the Gandhi Jayanti celebrations.

Two shots fired

After the prayer meeting, the President, Mr. Zail Singh, and the Prime Minister were leaving Rajghat to proceed to the nearby Vijayghat to place wreaths at the Samadhi of Lal Bahadur Shastri whose birth anniversary also is observed today. As the President got into the car and left, the two shots were fired at the Prime Minister who was standing along with his wife, Mrs. Sonia Gandhi, surrounded by the usual cordon of securitymen.

There was no doubt that the gunman was waiting for an opportunity to make an attempt on

the Prime Minister's life since the two shots that narrowly missed him had injured slightly an MLA from Madhya Pradesh and two security guards standing closely behind him. But it has not yet been established whether the gunman was acting on his own to avenge some personal grievance or at the behest of a bigger group as part of a deeper conspiracy for political reasons.

The .12 bore revolver that he used was rather old-fashioned and not good enough for accurate fire. It was just good luck that he was not armed like other terrorists with a deadlier automatic. It is this aspect that led the police to jump to the conclusion, before they got down to a detailed investigation, that he had presumably no links with any of the extremist organisations.

Unruffled

The Prime Minister, who looked quite unruffled by this incident, went through his other engagements and left for Nagpur as scheduled to visit Sewagram. He appeared on television before boarding his special plane to assure the nation that he was safe and in good spirits.

But before leaving Delhi, he called an emergency meeting of all the Ministers and officials concerned to review the security situation in the light of today's incident. It was decided to entrust the investigation to the CBI to unearth the conspiracy, if any, and track down the culprits behind it.

The President also left for Jabalpur on his way to Majholi to unveil a statue of the Mahatma on the occasion of his birth anniversary and open the Gandhi Smarak Bhavan there. But the Home Minister, Mr. Buta Singh, cancelled his visit to Rajasthan and stayed behind to review the overall security situation in the country and tighten arrangements in Delhi.

The one question that almost everybody in Delhi was asking today was how was it poss-

ible for a gunman to dodge the elaborate security network, get inside Rajghat and hide himself in the canopy of a bush creeper close to the VIP entrance, waiting for an opportunity to fire at the Prime Minister as he passed towards the side archway leading to the Samadhi in the inner sanctum. The gunman fired a shot as Mr. Rajiv Gandhi walked along that pathway at 7.30 a.m. to participate in the prayer meeting, but the security officials on duty mistook the noise for a backfire from a scooter driving past the side of the gate.

The two other shots were fired when the Prime Minister came out around 8 a.m. after the conclusion of the prayer meeting to see off the President. Then the securitymen surrounded the bushy creeper canopy after the police dogs detected the gunman, who quietly surrendered to the commandos before they could open fire on him with their deadly automatic weapons. He was badly roughed up by the security guards and his clothes torn as he was pulled down before being taken to the nearby police headquarters for interrogation.

The CBI and Intelligence Bureau sleuths who are interrogating him are working on different theories to trace the man's antecedents and establish his political or religious associations. During his initial questioning by the Delhi Police, he gave different names and wrong addresses, but he is now being confronted with more evidence to extract a confession.

Shocking lapse

It is customary for the security agencies to carry out a thorough search of any area to be visited by the President or the Prime Minister and post armed guards and plainclothes detectives there at least 24 hours before the func-

tion. There were more than 250 securitymen including 150 uniformed policemen on duty at Rajghat since yesterday and yet this gunman managed to penetrate this security cordon and perch himself on a creeper canopy without detection.

A good many heads in the security agencies and Delhi Police are going to roll once the facts are established and responsibility fixed for this shocking lapse for which there could be no excuse. And it was only through sheer good luck that the Prime Minister was saved from this attempted assassination.

Police officials suspended

Our Staff Reporter writes:

The Government tonight decided to suspend some Delhi police officials directly responsible for the security arrangements of VIPs, according to an official release. However, their names were not disclosed. (But agency reports said one of them was Mr. Gautham Kaul, Additional Commissioner of Police (Security) and son of Mrs. Sheila Kaul, former Union Minister.)

The decision followed a meeting convened by the Home Minister, Mr. Buta Singh, to review security arrangements and the law and order situation after the attempt on Mr. Gandhi's life this morning. The meeting, attended among others by the Lt. Governor, Mr. H. L. Kapur, and senior Home Ministry officials, discussed the security lapses which enabled the miscreants to enter the Rajghat complex.

Subsequently, the Delhi police held a preliminary inquiry to fix the responsibility assigned to each police officer on duty in the area where the incident took place. Sources indicated that at least half-a-dozen officers have been indicted.

Serious Security Gaps Noted

New Delhi PATRIOT in English 3 Oct 86 p 3

[Text]

Serious gaps in Prime Minister Rajiv Gandhi's security set-up came to light when an abortive bid was made on his life as he went to offer his prayer at the Gandhi Samadhi at Rajghat.

According to Nehru Brigade chief Ramesh Dutta, it all started at around 6.50 a.m. The Prime Minister had just got down from his car and was entering the Rajghat complex through the VVIP gate when a sound was heard.

It was not known immediately what was the source of the loud sound. The securitymen inside and also the Nehru Brigade volunteers positioned outside the

Rajghat complex thought it to be a cracker burst.

The Prime Minister had by then entered the complex and taken to the Samadhi. Outside, near the VVIP gate the securitymen made a brief search in the nearby bushes to locate the source of the sound. The search revealing nothing. It was abandoned.

According to sources, a dog squad man posted near the gate meanwhile noticed his dog behaving strangely. The dog started circling the hut belt. The dog squad man according to the source, informed the Prime Minister's security about it. The secu-

rity personnel for reasons best known to them took no notice of it.

Leela Ram, a caretaker at the Rajghat complex, also heard the first sound, sipping his tea at a nearby stall. He and the other caretakers were earlier at around four in the morning replaced by the securitymen after they cleared the area for the PM's visit.

He claimed that after the first sound there was a gap of some time before there were more sounds one-followed-by-the-other and he was told that somebody had tried to shoot the Prime Minister.

Well hidden: All this while the assailant hid himself 200 feet away from the main gate over the hutment concealed carefully amidst the one and a half feet thick foliage of rubber creeper over the hutment.

The hutment is eight and a half feet high and the thick creeper that grew untended over it had not been cut for some time.

The assailant remained hidden in his well camouflaged position over the hutment. It is designed in a concave roof over the octagonal edges. This prevented the securitymen positioned on the left side, while facing the gate from within the complex, from knowing about his presence.

It was from this place that the assailant fired two shots at the Prime Minister, returning after his prayer at the Mahatma's samadhi.

The police claim that only one shot was fired, but the eyewitnesses present on the spot say that two shots were fired one after the other.

According to Mr Ramesh

Dutta, the securitymen started firing shots at any nearby tree or bush. Some even fired in the air. However, the assailant, knowing that his game was up tried to surrender to the police.

Daring ones: The assailant stood up and offered himself, yet no one made any attempt to capture him, according to Mr Dutta, the securitymen feared that the assailant might have a bomb hidden on his person. While none came forward, he along with DCP (Central) Umesh Katna moved forward to capture the man. According to Mr Dutta, Mr Katna stood over his shoulder to climb over the eight-and-a-half feet high hutment. An eyewitness not wanting to be identified confirms this. According to him Mr Katna failed in his first attempt as his foot slipped. In his next attempt, however, he was able to climb over the hutment and secure the assailant. When contacted in the evening Mr Katna, however, refused to comment on it.

Meanwhile, what happened at the other end was no less interesting. Mr Rajiv Gandhi was swiftly rushed to his car, while Mrs

Sonia Gandhi seemed to have been forgotten by the security and had to be escorted to her car by the Nehru Brigade women volunteers.

Back at the hutment the securitymen were seen looking around for a ladder to climb to the roof. After much delay a shaky ladder and a few choppers were procured.

Policemen then chopped the rubber creeper and recovered a shawl, some roasted gram and a spiritual book besides a tarpaulin sheet and a water proof sheet, from the hiding places. A torn letter and an olive green handkerchief were also recovered by the CBI sleuths present at the spot.

They also recovered 22 pellets of the bullets fired by the assailant. A source opined that the bullets used should have had nearly 225 pellets. However, the thorough combing of the area with metal detectors failed to find any more pellets. Some of the pellets recovered were of 9 mm calibre.

An interesting detail that comes to light is the Police Control Room had till 3 p.m. not registered any formal complaint.

Vulnerability of Security Apparatus

Madras THE HINDU in English 3 Oct 86 p 8

[Editorial]

[Text]

THE ATTEMPT ON the life of the Prime Minister during the Gandhi Jayanthi prayer meeting at Rajghat raises worrying questions on two or three counts, although an overblown or panicky response would be the worst possible gift (politically and psychologically) to the enemies of civil society. One thing that is quite clear is that the atmosphere of violence and socio-political strain in the country seems bad enough to make the danger of a dastardly strike against political targets as well as innocent civilians surface in various unexpected places. If the Punjab terrorists could recently reach out as far as Pune to take out, without any serious professional challenge, the life of a brave soldier, the former Chief of the Army Staff, Gen. A. S. Vaidya, a gunman with a countrymade weapon—whose motivations and organisational affiliations (if any) need to be pro-

bed thoroughly—was able to get through the supposedly formidable security rings round the Prime Minister, the President and the other Government leaders congregating at Rajghat, operate from behind a "bush" and give the security apparatus and the nation a big jolt. A particularly shocking aspect of the experience is that the assassin seemed to have time to make his attempt, and could space out his shots, before being apprehended by a virtual army of security personnel drawn from various organisations. What a more professionally sophisticated task force of hired assassins or terrorists might have been able to do under such circumstances and on such terrain does suggest a very disturbing line of speculative enquiry for those who have a vital stake in the democratic well-being of this country and its leaders. The point is that terroristic violence is not entirely confined, either in

origins or operation, to Punjab, even if the socio-political crisis of that border State has assumed more malignancy than any other development over the last decade. It is not easy for civil society to get accustomed to such threats, to equip itself to deal with loaded guns at large; yet without this ability to cope with, and strike back at, the perpetrators of violence and terrorism, civil society will surely go under. Soft-minded approaches and pious postures are completely out of place in this context.

The second worrying aspect relates to security capabilities, especially in the wake of the tremendous blow dealt to democratic morale through the assassination of Prime Minister Indira Gandhi. Providing security to vulnerable individuals is, in the main, a professional business; yet it must, in a democracy, be submitted to amateur, meaning political, audit. No one expects, or desires, the details and methods of protecting lives to be "democratised" or shared with the whole world. Yet the indications are that the overloading and proliferation of security arrangements in the capital, combined with the secretiveness of the operatives when it comes to an intelligent sharing of essential information with the public in order to inform it of the real magnitude of internal dangers facing the nation and its leaders, seem to render the apparatus peculiarly vulnerable to breaches from time to time. It is well known that for an occasion such as the one that took the Prime Minister, the President and other government and political leaders to Rajghat, the minimum security requirement was taking charge of the extensive area 24 hours in advance and "sterilising" every part of it without any compromise. If that was done, how did the young man slip behind the bush and elude the operation? The Union Home Minister, Mr. Buta Singh, owes the people a coherent answer, as soon as the relevant facts are in hand.

A third problem highlighted by the Rajghat happenings relates to the situation in which the Prime Minister, his family, and other government leaders find themselves in the face of determined efforts by enemies of the nation to do them

harm—and thus strike major blows at its unity and vital morale. Given democratic practice, it is quite understandable (perhaps even healthy) that political leaders in top places constantly chafe under the seemingly intolerable restrictions that security considerations place on their every movement, even within the home and the office. Yet it would be wrong on their part to override these restrictions and make themselves vulnerable along a broad front that invites terrorist or madcap attempts. Suggestions thrown up by rhetorical questions such as, "of what value is a democracy if its elected leaders cannot move about freely and mingle with the people?", sound pious at one level; if they tend to lower the security guard and suggest freewheeling complacency in matters of life or death, they do a singular disservice to democracy. The specifics of the complicated national situation today, and of the nature of the threats faced, must guide the type and degree of "contact with the masses" that a top leader pursues in the course of his official and political work. India is by no means unique (among democratic societies) with respect to such painful, even harrowing, experiences. The assassination on the street of a highly valuable player on the world political stage, the Swedish Prime Minister, Olof Palme, under circumstances that made it clear that he fell like a lamb to obscure terrorist slaughter, provides a shocking reference point. The lesson that must be drawn from such experiences that traumatise civil society is certainly not, "it's all in the game." Prime Minister Rajiv Gandhi, especially, must pay proper heed to the warnings forced on the nation's consciousness by a failed attempt on his life, let the most competent professionals aided by conscientious political amateurs work out a new security regime for him and, if necessary, be prepared to modify his movements in keeping with present socio-political realities. It is no slur on democracy that terrorism can impose such inhibitions or restrictions on elected political leaders, for the very definition of terrorism is that, where not combated in a tough-minded and imaginative way, it takes civil society by the throat.

Phone Calls From Karachi

Bombay THE TIMES OF INDIA in English 4 Oct 86 p 1

[Article by K. N. Malik]

[Text]

LONDON, October 3.

A NEWS item in "The Times" today saying that newspaper offices and news agencies in

Karachi were besieged by telephone calls wanting to confirm an assassination attempt on Mr. Rajiv Gandhi 24 hours before it was actually made, has raised the possibilities of international connections of the person who made the attempt.

The fact that the calls were received in Karachi and nowhere else would make one believe that someone in Pakistan knew in advance about the plot.

It is possible that the attempt was to have been made earlier. When no news came about the attack, the person or persons involved in the plot thought that the attempt on Mr. Gandhi's life had been made but was being kept secret.

The person, therefore, wanted to alert the newspapers and agencies about the attempt. This would raise the possibilities of involvement of some agency or persons in Pakistan.

The Indian government has made it known in the past that Pakistan was behind terrorism in Punjab. It has provided evidence of Pakistani involvement not only to Pakistan but also to several other foreign governments.

The evidence concerns training of Sikh extremists in Pakistani training camps and supply of arms and ammunition to them. The evidence was collected from Sikh extremists arrested while attempting the cross over from Pakistan to India.

The attempt on the life of the Prime Minister and on the director-general of the Punjab police within 24 hours and the recent assassination of the former chief of the army staff, it is felt, point to an international plot to destabilise India.

Meanwhile, two main television channels, BBC and ITV, have criticised the security arrangements for the Prime Minister. Both sarcastically referred to the "so-called elite security force."

"The Times", "Guardian", "The Mail" and some other newspapers have editorially commented on the assassination attempt. "The Times" praised Mr. Gandhi's leadership and said that he has become an accomplished statesman abroad, whose

opinions and representations on behalf of the less developed world command respect.

At home, he has made serious attempts to solve the crises in Punjab and Kashmir and end communal violence in Assam. He has also made an assault on corruption, though so far with limited success.

These, which have threatened many vested interests, have made him predictably unpopular in many quarters, not least with some members of his own Congress party.

"None the less," it said "Mr. Gandhi has managed to project the image of a leader who is serious about preserving India as a unitary (perhaps the paper meant united) state and who is courageous enough to contest the claims of secessionist leaders."

"The Guardian" raised the question of indispensability of Mr. Gandhi. "Yesterday's escape underlines his physical, emotional and political indispensability".

"The dynasty and possibly, the survival of coherent national politics across the sub-continent, seems to hang for the moment on the survival of a man and a name. Mr. Gandhi himself will know the perils of that. It is time for the Congress to begin broadening the base of future leadership for the future may also be only a gunshot away".

"The Mail" said all civilised people will rejoice that the Prime Minister has emerged unscathed.

INDIA

GANDHI 4 OCTOBER SPEECH CRITICIZES PUBLIC SECTOR

Bombay THE TIMES OF INDIA in English 5 Oct 86 p 1

[Text]

BOMBAY, October 4.

THE Prime Minister, Mr. Rajiv Gandhi, today pulled up public sector undertakings for their inefficiency and high operational costs.

Addressing a large gathering on the occasion of the silver jubilee celebrations of the Shipping Corporation of India (SCI), the Prime Minister stated that "we are pouring a lot of money into all public sector corporations," diverting it from programmes which would benefit the people of India. It was the people's money and its inefficient use meant that it was unavailable for other productive programmes.

"We have not been elected" for spending money like this. "A few hundred crores' less loss in the public sector will make a total difference to a city like Bombay."

"Unless all public sector corporations are as efficient as the private sector, we will only be pouring the people's money down the drain" no matter what "a few people employed in the public sector might think."

Mr. Gandhi said he was very "clear in my mind" that salaries in the public sector were not too high. But public sector personnel must "deliver more than what you are paid for." "We want a package of efficiency right across the public sector."

Referring to the 25 years of SCI, he

said that at this age, "everyone grows up and matures and spoonfeeding and mollycoddling should stop." "You should be on your own feet." It was also time for stock-taking and introspection.

He stated that the government was aware of the problems faced by SCI in view of the recession in the shipping industry.

He said the government was willing to give cargo support for SCI, but not at the cost of Indian trade and exports. The Prime Minister said he had information that cargo was often left for months together in warehouses. This sort of tardiness could not be allowed. He urged SCI to ensure that trade was not adversely affected. Trade should not come to a "grinding halt."

Mr. Gandhi had a word of praise for SCI for its expansion in the past 25 years, but more needed to be done. It had been pointed out that SCI had the second largest number of ships in its fleet but the tonnage was rather low. Korea had entered this industry long after SCI, but had expanded faster.

The Prime Minister observed that SCI would have to face greater challenges in future "as we open new horizons," especially in Latin America and Africa.

He also called upon the corporation to introduce measures for rationalisation, better fuel management, fleet deployment and cargo management and restructure its services. He urged SCI not to forget the families of those who were away, for whom much

Earlier, the minister of state for surface transport, Mr. Rajesh Pilot, said Indian shipping tonnage had expanded by 31 times in 39 years. SCI had not lagged behind in diversification and modernisation. Despite the low freight rates in the international market, SCI was still afloat.

Mr. L. M. S. Rajwar, chairman and managing director of SCI, appealing for government support, said the corporation had proven itself viable and profitable. The current year was the third successive year of profit. It was going in for massive modernisation in the seventh five-year plan.

The secretary-general of the International Maritime Organisation, Dr. C. P. Srivastava, commended SCI for weathering years of recession since 1973. While millions of tonnage of ships had been laid up, not one SCI ship had gone under owing to the poor conditions in the world market.

Mr. Gandhi also released a book, "The SCI story."

The Union minister for transport, Mrs. Mohsina Kidwai, also spoke at the meeting where representatives from nearly 45 countries were present. Mr. P. P. Nayyar, secretary, Union ministry of transport, department of surface transport, gave the vote of thanks. The governor, Dr. S. D. Sharma and the chief minister, Mr. S. B. Chavan, were also present.

The function was attended by several cabinet ministers including Mr. Bhagwad Jha Azad, Mr. Gulam Nabi Azad, Mrs. Saroj Khaparde and Mr. Shivraj Patil.

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CSO: 4600/1100

INDIA

GANDHI CALLS FOR DEBATE ON SECULARISM TO COMBAT COMMUNALISM

Madras THE HINDU in English 9 Oct 86 p 7

[Text]

NEW DELHI, Oct. 8.

The Prime Minister, Mr. Rajiv Gandhi today called for a new direction in tackling the growing menace of communalism and terrorism not as a mere law and order problem but on a broader front.

Inaugurating a national symposium on "India's Struggle against Communalism" the Prime Minister said a new direction was necessary to restore faith in the basic concepts of secularism and give a feeling that all religions and communities were equal and had equal opportunities.

Mr. Rajiv Gandhi said the Punjab Government had succeeded in containing the terrorists activities. The extremists were becoming more and more desperate with each action of the Government. "If the communal virus in Punjab is to be tackled it can only be done on a broader front," he said.

Political action necessary: The fight against communalism and fundamentalism could not be fought by the police and the law and order machinery alone. "It can be only a short term measure. Certain amount of political action is necessary to restrict this menace. Towards this objective we must evolve a new direction," the Prime Minister said.

However, Mr. Gandhi said the present directions in dealing with the Punjab problem in the political and law and order front must not be changed. "On both fronts we are not showing any weakness. If we persist we will succeed and normality will be restored in the State" he hoped.

The one-day symposium organised by the National Committee for Defence of Freedom and Unity is being attended by over 500 political leaders, scholars, and social scientists from all over the country.

The Prime Minister said the time had come

for a serious nation-wide debate on the whole concept of secularism and how it should be practised in the country. Mr. Gandhi asked if secularism should be limited to separation of religion from politics or a negative concept where mention of any religion is avoided or whether it should be used to further the inner spirit of the individual to be an Indian.

Mr. Gandhi said "secularism was the bedrock of India and it was different from what had been defined in the known dictionaries. It allowed every linguistic group, caste and community to develop and yet remain part of the unified India.

Old and new: The strength of India lay in its ability to imbibe the spirit of all cultures and yet retain its identity. "It is the concept of mingling old with new that has given fusion to new inputs and civilisation while keeping alive our culture and civilisation," Mr. Gandhi said.

The Prime Minister said it was these concepts that were being challenged by fundamentalism. "If we have to preserve them we have to fight the divisive forces that threaten our culture. Unity will come only with deep respect for all faiths. When narrow considerations override religion it is reduced to a ritual."

Greatest task: Mr. Gandhi said the greatest task that faced the nation today was to create a feeling, mood and atmosphere which did not allow communalism and fundamentalism to grow.

The Prime Minister said while the highest priority had been accorded to economic development, socio-cultural, political and human development were equally important.

"Unless we develop in all other spheres we will continue to be challenged by those who exchange weapons for arguments and violence for ideology," Mr. Gandhi said.

In his welcome address the chairman of the National Committee for Defence and Unity, Mr. Darbara Singh said the democratic foundations laid by the founding fathers were so strong that they could never be disturbed despite the efforts of forces working in the name of religion.

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CSO: 4600/1111

INDIA

PASSPORT OFFICES ORDERED TO STOP 'UNAUTHORIZED ENTRY'

Calcutta THE TELEGRAPH in English 5 Oct 86 p 2

[Text]

Calcutta, Oct. 4: The Centre has issued a fresh directive to the regional passport offices to strictly enforce the Immigration Control of Passport Order to stop "unauthorised entry" of foreign nationals into the country.

The state governments and the Customs authorities have also been asked to maintain a close link with the regional passport offices so that foreign nationals could not overstay in the country after the expiry of their visas, according to an official source here today.

The Centre has also directed the state governments to take elaborate steps to detect those foreigners who were living in the country without proper documents.

These instructions were issued following an official report that quite a large number of foreign nationals were staying back in different parts of the eastern region, including West Bengal, Assam, Nagaland and Mizoram, even after the expiry of their visas. Recently, in West Bengal and Mizoram, about 250 such "unauthorised foreign nationals" had been detected and served with "quit notices."

According to the prevailing practice, a foreign national with a valid passport is allowed three months' visa, but after the expiry of that period, the visa can be extended for another three

months on certain special grounds. Foreign nationals whose visas are extended have to keep the state police and the passport offices informed about their whereabouts during their stay in the country. These rules, however, are not applicable to Bangladeshi nationals.

A Bangladeshi national who comes to the country with valid documents does not have to keep the police and the passport offices informed about his whereabouts after entering the country. As a result, it is not possible to keep tracks of Bangladeshi nationals staying beyond the permissible period.

An official state government sources said a high-power committee, comprising senior officials of the Union home ministry and the external affairs ministry visited some border states like West Bengal, Assam and Nagaland last year and made an on-the-spot study of the problem of unauthorised stay by foreigners.

The committee members visited border checkpoints and the immigration offices at airport and sea ports and supervised their operations. He said the new instructions could be the sequel to the report submitted by the committee to the Centre.

The state government had already been keeping a close touch with the regional passport offices and immigration offices so that illegal or unauthorised entry of foreign nationals could be curbed, he added.

/9274
CSO: 4600/1109

INDIA

SMUGGLING OF DRUGS, OTHER ITEMS REPORTED WIDESPREAD

Bombay THE TIMES OF INDIA in English 30 Sep 86 p 5

[Article by S. Kumar]

[Text]

BOMBAY, September 29.

HARDLY a day passes without customs or other officials reporting a seizure of narcotics and contraband goods.

Periodically, they also announce the arrest of "kingpins" behind the smuggling operations. But smuggling not only continues unabated but, often, the law-breakers emerge victorious.

Official agencies admit that only 10 to 15 per cent of all the smuggled goods are seized. The target fixed by the Bombay preventive collectorate for total seizure in 1986 is Rs. 75 crores.

This means that in Bombay zone alone this year goods smuggled in will be worth Rs. 750 crores. In the last eight months in the Bombay zone goods worth Rs. 52.57 crores have already been seized.

Gold smuggling appears to be going on with immunity, despite the almost daily seizures of the contraband. Last year, Dubai reported the arrival of 150 tonnes of gold, meant for the Indian subcontinent, of which 100 tonnes may have been earmarked for India.

But the actual seizure of gold in the country last year totalled a mere two tonnes. The total value of gold seizures in the Bombay zone in 1984 and 1985 were worth Rs. 23.25 crores and Rs. 54.07 crores, respectively.

In January this year, narcotics worth Rs. 11.08 crores were seized and in the next six months, the seizures ranged from Rs. eight lakhs to Rs. 63 lakhs. Again, in August, the figure shot up to Rs. 10.18 crores.

SUITABLE REWARDS

Until recently, drug seizures were not very significant. There were no

rewards for drug seizures and the intelligence agencies got little information from professional informants. Now, the picture has changed with the government announcing similar rewards as in the case of gold and other contraband seizures.

But after effecting a seizure, the investigation does not go beyond the arrest of a couple of people on the lowest rungs of the gang. Often, the cases end with the seizures alone.

No customs officials remembers the conviction of a major smuggler in recent years. However, the official statistics show that in 1985, 571 prosecutions were launched. The total number of persons convicted under the customs act last year was 365.

These people were involved in cases which date back several years and most of them were drivers and cleaners of impounded vehicles, or illiterate crew members of Arab dhows. In some cases, they were foreigners with no source of defence in the country.

The entire smuggling fraternity conducts its operations by word of mouth and the top man, the financier, is an individual or a syndicate invariably based in Dubai or Pakistan. The second in line consists of the transporters who provide Arab dhows, camels or vehicles. The third layer consists of landing agents who hire vehicles to take the contraband to earmarked godowns. Godown owners serve as the final link between the agent and the retailers.

Customs officials and other intelligence agencies like the directorate of revenue intelligence (DRI) manage to get the identity of the financiers in Dubai, but Indian officials have no means of touching them.

The Dubai-based gang leaders also visit India under different names with different passports. Their business remains unaffected despite seizures made by Indian authorities because they "insure" the goods despatched to India with a local network of insuring agents.

These insurance companies fully compensate their clients merely on the basis of a newspaper report from India that a particular consignment was seized by the authorities.

The investigating agencies are unable to make much headway in contraband cases because one section of a gang does not know more than its immediate past or next link in the chain.

Even then, the rules of the game are such that none of those caught would like to risk their lives and those of their families by divulging the names of others behind the operation. This is a major factor which often hinders investigation.

Legislation like the COFEPOSA (Conservation Of Foreign Exchange And Prevention Of Smuggling Act) and preventive detentions have proved ineffective in curbing smuggling because courts put the onus of proof on the investigating agencies, rather than on the accused.

In 1985, at the instance of the Bombay preventive collectorate, detention orders under COFEPOSA were issued against 313 persons, of whom 226 were detained.

MANY RELEASED

The advisory board, after reviewing the cases released 51 persons, while another 55 were released following high court orders. A total of 102

detenus have been proclaimed absconders. Thus, effectively, out of 226, only 18 persons have completed their full term of detention in jail.

Similarly, in 1984, against 305 detention orders issued, 207 were detained. The advisory board and the high court ordered the release of 53 and 68 persons, respectively. The number of absconders was 71. Thus, only 15 people were actually detained for the full term of one or two years.

The statistics for 1983 look impressive with a total of 214 persons detained, of whom 63 were released by the advisory board and the high court. The absconders were only 46, thus leaving 105 persons behind bars.

In 1980, the total orders issued were 165 and the number of people detained were 148. While the advisory board released 15 and the high court released 28, the absconders were only 15.

As against this, in the first two months of this year 110 detention orders were passed and 72 were detained. While the advisory board released four, the high court set free 49. Fifty are absconding.

LEGAL LOOPHOLES

Officials bemoan the numerous instances where detenus were set free on technical grounds like not furnishing duly translated documents, or delay in replying to some letters written by the detenus.

In some cases, the detenus are illiterate. They depend on their lawyers who can read English. Still, failure to supply the mounds of documents officially translated into Urdu or Persian can be a ground for the release of a detenu.

"Non-application of mind" by the detaining authority is often another ground on which the detenu is released. Recently, two detenus connected with the seizure of contraband worth Rs. 2.5 lakhs from a boat, "Naran Prasad," were released following an order from the Bombay high court.

The customs authorities, after rummaging through the vessel on May 25, 1983, seized contraband goods. Two of the crew members were arrested and later detained under the COFEPOSA. The detaining authority considered a list of 64 documents while passing the detention order.

The 64th document, furnished in the case was the statement of one Sardar Singh Suri and it was not connected with this case at all. Officials claimed that it was inadvertently attached to

the other papers.

COURT RULING

A division bench of the Bombay high court held that the detaining authority could not have applied its mind because a totally irrelevant piece of evidence crept into the documents that were admittedly placed before the detaining authority. As an irrelevant document was treated as relevant, and since nobody noticed its irrelevancy, the detention was held illegal.

In August, 1985, one Bharat Nandlal Kalyani and a Central excise inspector were arrested in connection with the seizure of contraband worth Rs. 1.98 crores by the DRI, Bombay.

On August, 29, 1985, Kalyani gave an undertaking to the magistrate that he would not leave Greater Bombay without the court's permission. He was released on a bail of Rs. 3 lakhs. Meanwhile, COFEPOSA detention orders were passed against both the accused.

The central excise inspector has been detained but Kalyani is absconding and is now abroad, according to the DRI.

To highlight the futility of investigations, the DRI points out another recent case. On July 25, 1986 an Arab dhow, "Al Barkati," was intercepted by the DRI with the help of the coast guard off Arnala, near Bombay. Contraband textiles of 15,860 yards, 400 VCRs and other goods worth Rs. 60.97 lakhs were seized from the vessel.

All the eight Pakistani crew members on board were arrested. They had come thrice in the past on similar missions, but they claimed no knowledge about the Indian agent, beyond mentioning a man called "Raghu." They used to hand over the goods to a local craft and go back.

ARAB LINKS

The seized vessel was registered in the name of Ahmed Mohammed Shafi, an Indian national in Dubai. The name and address are usually fictitious.

Even if the real owner is found, nothing can be done as long as he is not on Indian soil. This investigation is likely to remain incomplete.

In 1985, the DRI intercepted a car at Sion here. Nearly 12,000 tolas of gold biscuits, worth Rs. 3 crores, were concealed in the petrol tank in a special cavity. The driver of the car escaped.

Intelligence reports indicated that the gold was smuggled by a Dubai-based syndicate and the identity of some of the gang members was also known. But intelligence reports are not

enough to prosecute a smuggler. So the case lies dormant.

DRUG HAULS

But there are a few cases where the officials make a headway and trace the Indian agents involved in the operations. For example, on January 2, 1986, the DRI seized 2,952 kg of hashish, worth Rs. 1.77 crores, concealed in a container loaded with boron powder.

The containers were about to be loaded on the ship "Neptune Beryl." Investigations led to the arrest of a customs officer, his father-in-law and brother-in-law and two other associates, a father and his son.

On December 27, 1985, four Mauritian diplomats were caught in Amsterdam with 20 kg of heroin, smuggled from Bombay. Subsequently, the DRI arrested one Miranda who allegedly arranged for the diplomats to serve as carriers. A passenger, D. L. Fernandes, who travelled with the diplomats to Amsterdam was also arrested later by the DRI.

A middleman named Balchandra Raghunath Pradhan who organised the smuggling for an original supplier through Miranda is wanted by the DRI.

Pradhan also travelled with the diplomats to Amsterdam from Bombay and stayed in the hotel where reservations had been made for the diplomats. According to information reaching the DRI, Pradhan left Amsterdam for Karachi within a couple of days after the smuggling attempt was foiled.

Iqbal Mohammed Memom alias Iqbal "Mirchi" was arrested in May in connection with the seizure of 602 kg of heroin, 4,565 of hashish and four kilos of Manurax tablets from a farmhouse at Savroli village near Talasari in Thane district.

This seizure by the DRI, worth Rs. 8.77 crores, was considered to be a world record. Iqbal had earlier been detained under the COFEPOSA. Following his arrest by the DRI, he was released on bail of Rs. 2 lakhs.

Customs officials say smuggling will stop only when the rate of actual seizures reaches a stage where the smuggler would be left with no profit margin. This is unlikely to happen even with the best of preventive measures.

Only fiscal policies, which will reduce the profit margin for smugglers, can go a long way in stemming this rot, they say.

INDIA

EXCISE DUTY CONCESSIONS BENEFIT SMALL-SCALE SECTOR

Bombay THE TIMES OF INDIA in English 8 Oct 86 p 1

[Text]

NEW DELHI, October 7 (PTI).

THE Union finance minister Mr. V. P. Singh, today announced concessions in customs and excise duties to the tune of Rs. 12.5 crores.

These concessions are mostly for the small-scale sector and are unlikely to affect the tempo of revenue collection, Mr. Singh said.

The announcement follows the minister's open house meetings with the representatives of trade and industry.

Mr. Singh expressed concern over the "mounting expenditure" of the government, where he said "red lights are blinking."

Within a month the government would come out with its promised paper on government expenditure, which would deal with the whole perception of the government on expenditure, he assured.

This is the fifth instalment of customs and excise duty concession announced by the finance minister after he presented the budget for 1986-87.

Excise duty concessions and exemptions which, according to the finance minister, were in the nature of rationalisation of the duty structure following introduction of Modvat cover items like domestic handmade carpet, body-builders of vehicles like cars and jeeps, PVC resins, side-cars used in two-wheel motor vehicles, solubilised vats, rapid fast colours and rapid dyes, naphthalene used in manufacture of dye-stuffs, sulphur powder and rock phosphate when used as fertiliser.

Customs duty concessions cover

specified machinery for solvent extraction oil industry, import duty on titanium dioxide, crude sodium borate, export duty on dia-electric mica strips and machinery and instruments imported by ET and TDC for initial setting up of industrial plants by actual users, for the manufacture of electronic PABX equipment.

SUGAR OUTPUT

To encourage early crushing of sugarcane, exemption from basic excise duty on excess production of sugar for crushing in October-November during 1986-87 has been provided. The excess production would be determined on the basis of average production during the period of three sugar years.

To promote domestic handmade carpet industry complete exemption from excise duty has been granted.

Complete exemption from excise duty has also been given to cast-iron pipe fittings, solubilised vats, rapid fast colours and rapid dyes, doubled and multifold yarns of certain types and sulphur powder, which is mainly manufactured in the small-scale sector.

To reduce the duty burden on independent body-builders of vehicles value of the duty-paid chassis has been excluded from the value of the body built motor vehicles for the purpose of excise duty.

To streamline the availment of Modvat by users of PVC compounds, these compounds have been brought under the general small-scale exemption scheme and effective rates of excise duty on PVC compounds have been prescribed.

Side-cars used with two-wheel motor vehicles have been brought under the purview of general small-scale exemption.

The finance minister also announced that excise duty paid on naphthalene will be provided set-off if used in the manufacture of dye-stuffs.

As a measure of promotion of ancillarisation systems and sub-systems of launch vehicles and satellite projects of ISRO/department of space, manufactured by sub-contractors and supplied to ISRO/department of space, have been exempted from excise duty.

Excise duty in excise of that leviable under notification no. 65/81-CE dated March 25, 1981, has been waived under section 11-c of the Central Excise and Salt Act, 1944, in respect of tyres, tubes and flaps of tractors and other tyres manufactured by small-scale units during the period May 8, 1985 to November 10, 1985.

As a measure of export promotion, export duty on dia-electric mica strips has been completely exempted.

The finance minister also announced that to protect the domestic veneer industry, it had been decided to restrict the concessional rate of customs duty of 10 per cent ad valorem only to wood in the rough.

Mr. Singh said as an incentive to telecommunications industry, customs duty on machinery and instruments imported by ET and TDC for the initial setting up of industrial plants by actual users for the manufacture of electronic PABX equipment has been reduced from 101.25 per cent on an average to 25 per cent.

/9274

CSO: 4600/1105

INDIA

GURKHA LEADER'S LETTER TO HOME MINISTER RELEASED

Madras THE HINDU in English 9 Oct 86 p 9

[Text]

CALCUTTA, Oct. 8.

The Union Law Minister, Mr. Asoke Sen, today released the letter written by the GNLF chief, Mr. Subash Ghising, to the Union Home Minister, Mr. Buta Singh, and said the GNLF's demand for a separate State was neither anti-national nor seditious under the provisions of the law.

Addressing a press conference here, Mr. Sen said the GNLF's view that Clause 7 of the Indo-Nepalese treaty did not give them the right of Indian citizenship was a "misconception" and added that citizenship once acquired "cannot be taken away."

Mr. Sen said the Union Law Ministry had studied the letter in all its aspects and the copies of the letter were sent to the Chief Minister, Mr. Jyoti Basu, who had not made any comment.

About the demand for a separate State within the Indian union, Mr. Sen said "we are not concerned how far the demand is correct or not. Whether it is to be conceded or not is to be decided on a different plane."

Replying to questions, Mr. Sen pointed out that if the State Government thought the movement was anti-national or seditious, it could go to the court of law and prosecute the offenders under the Indian Penal Code.

Stating that the Centre had not acceded to the GNLF's demand for partition of West Bengal, Mr. Sen dismissed the allegation by Mr. Saroj Mukherjee, Left Front chairman, that the Congress(I) high command was encouraging the movement.

He said the violent incidents that had been taking place in Darjeeling hill areas, including that of dynamite explosion at the CPKM party office, were simply law and order problem. He said "So long as the President does not take over, it is the exclusive function of the State

Government to deal with it."

Mr. Sen said that the Nepalese-speaking people wanted Indian citizenship and, therefore, they could not be described as anti-national. On the other hand, the attacking of the Indo-Nepalese treaty was not seditious as the Government policy could be criticised.

Mr. Ghising in his letter, dated September 15, regretted "any misapprehension or doubt caused by our sending the memorandum to the United Nations and some foreign governments. We seek redressal of the genuine grievances of the Gorkhas of India within the framework of the Indian Constitution."

In his three-page letter, the GNLF leader said, "we would like to affirm that we have total loyalty to India which is our Bharat Mata. We want clearly and unambiguously to be identified as Indian nationals. We want a separate State within the Indian union." — PTI

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CSO: 4600/1111

INDIA

RAMACHANDRAN TAKES OVER AS AIADMK GENERAL SECRETARY

Calcutta THE STATESMAN in English 7 Oct 86 p 9

[Article by S. Rajappa]

[Text]

CHENNAI, Oct. 6—The ruling AIADMK, which is celebrating its 15th birthday on October 17, entered its second childhood today when its founder-leader and Chief Minister of Tamil Nadu, Mr. M. G. Ramachandran, took over as general secretary, a position he held at the time of its nativity in 1972.

A rare meeting of the executive committee of the AIADMK, convened here today at short notice, unanimously endorsed Mr. Ramachandran's proposal to make him the general secretary in place of Mr. S. Raghavanandam, a former Minister who was assigned the party post after the 1984 general election and removed unceremoniously today.

No matter who held the post of general secretary of the AIADMK, and the list of men who adorned the office included such stalwarts as Mr. V. R. Nedunchezhiyan and Mr. P. U. Shanmugham, senior Cabinet Ministers, all powers were held by Mr. Ramachandran only.

MEANINGLESS

Therefore, the change in general secretaryship of the party was a meaningless exercise unless it was intended to keep the chair warm for Ms. Jayalalitha, Propaganda Secretary, who was promised a bigger role in the AIADMK affairs by Mr. Ramachandran during the recent all-world "MGR" fans association convention in Madurai where he gave a call to his partymen to carry a knife with them always.

At the Satya Studios owned by the Chief Minister where the meeting took place, Ms. Jayalalitha was given a seat in the front row. Though there were vacant chairs next to her, Ministers were seated in the row behind, indicating the

order of precedence in Mr. Ramachandran's scheme of things. The rival AIADMK faction, led by the Information Minister, Mr. B. M. Veerappan, had relegated the Propaganda Secretary to the background during the Chief Minister's absence from the country on medical leave.

Mr. Raghavanandam, the outgoing general secretary and a staunch Veerappan faction leader, though seated on the dais with Mr. Ramachandran during the two-hour meeting, was not even allowed to brief the Press of the outcome of today's meeting. The honours went to the Treasurer, Mr. S. Madhavan, an unprecedented practice.

Mr. Madhavan said the Health Minister, Dr. H. V. Hande, was made the deputy general secretary, replacing Mr. S. R. Eradha, also a former Minister. Dr. Hande is a member of the Legislative Council, which stands abolished.

The meeting demanded an amendment to the Constitution to incorporate Nehru's assurance that English would be the official language of the country as long as the non-Hindi speaking States wanted it. Only such an amendment could help find a permanent solution to the language tangle, the executive said in a resolution.

APPREHENSION

Mr. Madhavan said the Hindi chauvinists' persistence with the imposition of the language notwithstanding Nehru's assurance had created apprehensions among the non-Hindi speaking States.

Thanking Mr. Rajiv Gandhi for making it clear to the Chief Minister that English would continue to be the official language of the Centre, the executive felt a constitutional amendment would dispel all misgivings.

INDIA

INDIAN STEEL AUTHORITY INCURRING HEAVY LOSSES

Bombay THE TIMES OF INDIA in English 5 Oct 86 p 9

[Article by G. K. Pandey]

[Text]

NEW DELHI, October 4.

THE Steel Authority of India (SAIL) is in deep trouble as it has been incurring heavy losses month after month. Within a period of five months its losses have exceeded Rs. 130 crores, it is reliably learnt. What is perhaps worse is that there appears to be no change in this trend.

The progress report regarding SAIL's performance submitted to the prime minister's secretariat every month indicates no let-up in the declining trend of production and mounting losses. Between April and August, there has been a huge production loss of 800,000 tonnes of steel.

The dismal performance of the steel mills in the public sector has caused grave concern in political and bureaucratic circles, particularly in view of the fact that SAIL is now losing heavily after showing a profit of Rs. 150 crores during 1985-86.

Poor performance of the SAIL plants, observers here point out is bound to have serious ramifications in terms of larger imports and the resultant strain on foreign exchange reserves.

In spite of the sluggish demand, steel imports this year may be substantially higher than in the preceding year. Indications to this effect are already available. Major consumers like the railways are seeking permission for imports to meet their urgent requirements. As a result, steel imports under different heads may be in the region of Rs. 800 to Rs. 900 crores. Last year, India's steel import bill was about Rs. 600 crores, according to preliminary estimates.

Inquiries from competent sources here show that there have been several factors which have contributed towards the fall in production. The most important factor perhaps is the fall in the productivity rate following a management decision to do away with overtime, which had gone as high as Rs. 40 crores per annum. Other contributory factors are poor quality of coal supplies and interruptions in power supply, notably from the DVC.

Official circles concede that something will have to be done urgently to prevent accumulation of losses by SAIL and ensure higher levels of production. But what is really causing worry is that industrial relations are getting further strained instead of showing signs of improvement.

The previous wage agreement between the management and the workers' union expired on August 31 and the new agreement has not yet been signed. It may not be easy for the management to come to terms with the union. According to a directive from the prime minister, the wage revisions have to be linked with productivity and in the case of SAIL, the productivity over the past two months has been a serious casualty.

Another disturbing factor is that little has been done in taking long-term measures for improving performance of SAIL plants. The expansion and modernisation plans already approved by the ministry of steel have yet to be approved by the cabinet committee on economic affairs. Indications suggest that it can take nearly two years for these approvals to come. What is worse is that expansion plans already under implementation are behind schedule.

INDIA

AGENCY GIVES ESTIMATES FOR AUTUMN HARVEST

New Delhi PATRIOT in English 3 Oct 86 p 5

[Text]

The foodgrain production in the current kharif will be 86.5 to 88 million tonnes, according to the latest estimates, reports UNI.

Although this is short of the target of 89 million tonnes, it is higher than last year's kharif output of 85.25 million tonnes. The average production of kharif foodgrains during the Sixth Plan was 80.4 million tonnes.

The crops prospects improved considerably in the last week of September with good rainfall reported in many parts of the country, including Bihar and Orissa where there were apprehensions of crops getting adversely affected by the scanty rain fall. The dry spell, however, continued in Saurashtra, Kutch and western Madhya Pradesh.

The area under kharif foodgrains this year is estimated at 81 million hectares, as compared to 76.03 million hectares last year.

The storage position in the major reservoirs augurs well for the rabi crops, which are mainly dependent on irrigation. The live storage available in 45 major reservoirs in the last week of September was about 74 TMC, about eight per cent higher than last year.

The normal area under paddy dur-

ing kharif is 39 million hectares.

This year, the late onset of rains in many parts caused a delay in the transplantation of paddy in Assam, Bihar, West Bengal, eastern Uttar Pradesh and Haryana. This affected the coverage of area under the crop. However, a good spell of rain in paddy growing areas towards the end of last month has improved the crop condition. On the other hand, the crop in the Godavari (east and west) districts of Andhra Pradesh, Samastipur district of Bihar and some areas of Gangetic West Bengal and Kerala has been affected by floods.

Consequently rice production in the current kharif season is estimated at 55 to 58 million tonnes.

As for coarse grains—maize, jowar, bajra and millets—the overall prospects are better this year because of favourable moisture conditions in the major growing tracts, including Gujarat. The production of coarse grains could be 26 to 28 million tonnes, against only 22 million tonnes in the last kharif season.

A major gain this year would be in pulses. There has been a notable crop shift from cotton to pulses, with the area under these crops estimated at 11

million hectares. The production is likely to be 5.5 million tonnes as against 4.4 million tonnes during the last kharif season.

In oilseeds, although the groundnut crop has been affected on account of the long dry spell in the Saurashtra region, the position has improved in Rayalaseema area of Andhra Pradesh, south Karnataka and Marathwada region of Maharashtra following recent rains. The total production of groundnut during the current kharif season is estimated at 4.8 to 5 million tonnes, as against last year's production of 4.1 million tonnes.

The coverage under soyabean crop which was 1.2 million hectares last year, has gone up to 1.7 million hectares this year. The area under sesame has also increased and the crop condition is good.

The overall oilseeds production in this season is expected to be 6.8 to 7 million tonnes, against 6.35 million tonnes last year.

As for the fibre crops, jute has already been harvested and the crop production is expected to be around 7 to 7.2 million bales. The cotton crop is good and free from pests.

/9274

CSO: 4600/1107

INDIA

PAPERS REPORT PROGRESS, PLANS OF INDIAN AIR FORCE

Systems Testing Establishment

Bombay THE TIMES OF INDIA in English 6 Oct 86 p 1

[Article by V. G. Prasad Rao]

[Text]

HYDERABAD, October 6.

THE Aircraft and Systems Testing Establishment (ASTE), the only organisation in the country capable of undertaking testing of new aircraft, engine, avionics and weapons systems, is aptly located in Bangalore.

The ASTE is one of the institutions under the IAF training command headquarters, headed by Air Marshal Vir Narain. Here is also located the country's most important centre for aerospace medicine, the institute of aviation medicine (IAM).

With the country determined to manufacture its own light combat aircraft (LCA) of the future, the project management group formed in ASTE has a key role to play. It will closely monitor not only the LCA programme, but also the armed light helicopter project to be taken up.

The group has been co-ordinating and monitoring three Hindustan Aeronautics Ltd. projects: the HPT-32 (basic trainer), Kiran Mark-II (intermediate trainer) and Ajeet advanced trainer. The user-evaluation and development trials of these aircraft being developed in Bangalore are underway.

This part of the work is bread and meat to the test pilots who are selected according to stringent standards and trained rigorously at the country's only test pilot's school run by ASTE.

Explaining their role, Group Captain P. Rajkumar, chief test pilot, told a

visiting group of newsmen: "All aircraft systems etc. are evaluated here and either rejected or recommended."

Group Captain Ravi Malhotra, commandant, said prototypes were also put through their paces and evaluated by the test pilots.

It is a matter of pride for ASTE that the first Indian cosmonaut, Sqn-Ldr. Rakesh Sharma, is a graduate of the test pilot's school (TPS). Gp-Capt. Malhotra (at that time Wg-Cdr. commanding the TPS before being sent to the Soviet Union) and he have long been associated with ASTE.

The test pilots, who go in for this strenuous duty, get "job satisfaction". They have to be thoroughly familiar with various types of aircraft in the IAF.

The ASTE has a weapon test laboratory and avionics laboratory, both armed with the latest computerised equipment for carrying out elaborate and extensive tests.

At the institute of aviation medicine nearby, Air Commodore P. C. Chatterjee, said the IAM had specific roles to play. They include training (pilots as well as doctors of the IAF, Indian Airlines and Air India), medical evaluation of pilots, research into "problems for which we have no answer at present," aero-medical support to aircraft designers and industry, and medical support to manned space flight programme.

During the Soviet space flight, Sqn-Ldr. Sharma carried out some projects

on yoga in space.

Some immediate spin-off benefits from IAM have been welcomed by the people of Bangalore. For instance, the hyperbaric chamber in the department of high altitude physiology has saved many a life and limb of gas gangrene victims.

The IAF's largest training establishments for airmen is at Jalahalli, a suburb of Bangalore. The air force station commander, Air-Commodore S. Murugan, said that at any particular time, the three major training units — communication training institute, electrical and instrument training institute, and electronics training institute—will have a large number of trainees each.

In addition, there is a medical training centre which trains medical assistants to man the hospitals and station sick quarters of the IAF all over the country.

Jalahalli also houses the Air Force Technical College (AFTC). The aim of AFTC, says Gp-Capt. Srinivasan, officiating commandant, "is to produce efficient technical officers with qualities of military leadership, ability to manage men, materials, machines most effectively and economically under operational conditions."

It has departments of aeronautical engineering (separate for mechanical and electronics), systems engineering, general engineering and general service training, under a faculty of technology. There is a separate faculty of management.

Report on New Soviet Transport

Bombay THE TIMES OF INDIA in English 6 Oct 86 p 9

[Text]

HYDERABAD, October 5.

A "SUTLEJ" transport plane, one of the latest acquisitions of the Indian Air Force, took off from Yelahanka air force station near Bangalore last week with a party of newsmen from Andhra Pradesh.

As Wing Commander C. K. Jolly put the medium-haul plane supplied by the Soviet Union through its paces, the rapid advances made by the IAF in the last few years in its the IAF in the last few years in its 54 years of existence unfolded. (Air Force Day falls on October 8).

The Yelahanka station, the only institution in the IAF for the initial training of transport pilots, first used Dakotas—the twin-engined propeller-driven old reliable of World War II. Then came the India built Avro (HS-748) in 1974. In keeping with the advances in aviation and defence re-

quirements of the country, Avros are now being phased out.

The replacement is the new AN-32 from the Soviet Union, renamed "Sutlej" by the IAF. Each plane has a personal name. We flew in "Kashyapa." Far superior in every respect to the Avro, the new workhorse of the IAF has a cruising speed of 530 km. per hour and can climb up to 23,000 feet. It is a day and night all-weather performance aircraft.

Unlike the Avro, the "Sutlej" has a "tail gate" for dropping paratroopers and supplies. The base plate of the tail forms a ramp for entry and loading, while the top portion folds up. The plane is capable of landing on short runways.

Transport pilots' training is multifarious. "They are all prepared for tasks, whether in the green valleys of Arunachal Pradesh in the east, the formidable Himalayan mountains of

Ladakh, the dry forests of Rajasthan or in our far-flung island territories," says Air Commodore P. K. Mani, air officer commanding, Yelahanka.

Yelahanka has also the distinction of having a helicopter unit. This unit of the IAF has a variety of functions, including VVIP and VIP communications, heliborne operations, aid to civilian authorities, offshore operations to the Lakshadweep islands, training of pilots and flight engineers.

Wg.-Cmdr. T. S. Chatwal, who heads the helicopter unit, is proud of the unit's mercy missions in Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra and the Union territories of Pondicherry and Goa. In the recent devastating floods in Andhra, a few helicopters of the unit were deployed throughout, dropping hundreds of tonnes of food and supplies in inaccessible areas, bringing succour to thousands of marooned people.

New MiG-27

Bombay THE TIMES OF INDIA in English 8 Oct 86 p 5

[Article by M. S. Mullick]

[Text]

SOMEWHERE IN THE WESTERN SECTOR, October 7.

WITHIN a couple of minutes after it was airborne, the "Bahadur" successfully intercepted the "enemy" aircraft. The new versatile machine MiG-27 (nicknamed 'Bahadur') is the latest acquisition of the Indian Air Force.

It is a supersonic, all-weather, advanced strike aircraft, capable of carrying an assortment of armament loads. These deadly weapons can be released with great accuracy at high speeds.

A press party which visited the airbase on the eve of the 54th anniversary of the IAF was given a demonstration of the MiG-27's versatility. The 'Tiger Sharks' squadron operating the aircraft are very proud of their machines because of its easy and accurate navigation and manoeuvrability.

During the hour-long demon-

stration, newsmen were treated to a display of the fighter strike mission and interception, slithering operation, induction of the RCL gun by helicopter and a thrilling display of aerobatics.

The special heliborne operations showed how new troops are 'inducted' in the battle area by helicopters. This becomes necessary where troops can-

After the demonstration, during an informal chat with newsmen, Air Marshal M. M. Singh, AOC-in-C of the Western Air Command (WAC), said the airbase was manned by a large number of officers, men and technicians, each performing his duty with a sense of dedication and devotion.

He said the airbase, providing air support to a large territory in northern India, maintains a high operational standard and has an excellent record of efficiency. It is fully equipped to meet the new challenges and keep pace with technological development.

not be landed by transport planes or para-dropped. Two helicopters, carrying 16 commandos each, came over the airbase and through the "slithering"

operation (with the helicopters hovering about 15 to 20 metres above the ground), the troops landed with the help of ropes. The whole operation was performed with precision and took about 35 to 45 seconds.

After the landing of the troops, another helicopter hovered over the airbase and newsmen saw an RCL-mounted jeep being slowly lowered on a desired spot. After the vehicle touched the ground, it was released by the pilot and driven away by the troops.

The grand finale of the two-hour-long demonstration was the spectacular aerobatics shown by the Thunderbolts. The team, led by Wing Commander Bonny Mukerjee, traced the azure sky with loops, tangles and barrel rolls. The daredevil acts were indeed a treat. The aerobatics ended with "formation flying" with three aircraft landing together in front of the special invitees.

The formation aerobatics is a highly specialised job, requiring a high degree of skill, courage and perseverance.

Easternmost Airbase

New Delhi PATRIOT in English 6 Oct 86 p 5

[Article by Neeraj Mahajan]

[Text]

Somewhere in the eastern sector. In the valley of the Brahmaputra, where it rains almost throughout the year and temperature touches sub zero — the grass grows as tall as trees. In harsh conditions where constant exposure to high humidity contents present in the air causes fungal infections, malaria and other diseases and exhaustion, extreme physical and mental strength on part of those who inhabit the area is essential.

Those who live in such conditions fighting for their survival and that of others who are dependent on them deserve to be called brave.

The valiant men of the Indian Air Force who live in such conditions provide the life line in a place where the only means of transport or communication is through supply droppings and transport links. Their makeshift landing stations in

the forward areas — much more hallowed than a prayer ground — are much needed by all — the forces near the border, civil officials and the local population.

Imagine plight of the forces in the forward areas living in rain or snow for days without seeing the sun. Their mail from home, ration, condiments, clothing and even ammunition has no way of reaching them except by air, courtesy the pilots manning the transport squadrons of AN-32, Mi-8, Cheetah, and Otter-II. Earlier they would get these things in eight to ten days. Now they get them in just 30 to 45 minutes.

According to Air Commodore S K Bajaj, his boys, in keeping with the IAF motto of "Nabh Sprisham Deeptam", which literally meaning "touching the sky with glory", do not find flying at an altitude of more than 7000-8000 ft during

their work at all difficult. For them, it is just part of their duty and a job entrusted to them — a sacred commitment that must be kept. There are days when due to bad weather no flying is possible. As soon as the weather clears, they work extra flying time to push in as much supplies as possible.

The eastern most air base also has a history of its own. Extensively used by the allied forces during World War II, it was the only Indian airfield which became the target of a massive Japanese air attack.

The men who operate from this base provide not just tactical air support to the armed forces and para-military forces manning the border but also help the civil administration. They play a role in uplifting the socio-economic level of the largely tribal population of the area. They also help people during natural calamities.

Consideration of Northrop Engine

Madras THE HINDU in English 6 Oct 86 p 1

[Text]

NEW DELHI, Oct. 5

The Defence Ministry has issued letters of intent to the U.S. firm manufacturing GE-404 engines for the Light Combat Aircraft (LCA) under development and tracking equipment for the Balasore firing range where guided missiles and other sophisticated weapons will be tested with electronic systems.

But it has been made known to the Northrop Aircraft Company, the manufacturers of F-20 fighter planes, that in selecting the GE-404 engine for the LCA prototypes, India is not going in for these planes because they are powered by the same aero engines.

Open option: The readiness to examine the Northrop offer does not imply any commitment on India's part to buy American aircraft, although the country is keeping its option open for considering the proposal for technological assistance in the development of the LCA to meet its operational requirements.

The whole emphasis during the talks with the visiting U.S. Defence Secretary, Mr. Caspar Weinberger, and the high-power delegation accompanying him will be on technology transfer rather than purchase of weaponry or even co-

production. But in establishing this relationship with the U.S. in areas of defence cooperation, the Government of India will not be going in for any deliberate diversification of the established supply channel for the Soviet Union in regard to MIG series, T-72 tanks or missile systems.

After his talks with the Prime Minister on the very day of his arrival in Delhi on October 11, Mr. Weinberger will be having detailed discussions with the Minister of State for Defence, Mr. Arun Singh, and the Secretary of the Ministry of Defence, Mr. S. K. Bhatnagar, on Tuesday morning, before the two delegations settle down to two prolonged sessions. The U.S. Defence Secretary and his advisers will meet the two Ministers of State, Mr. Arun Singh and Mr. Sukh Ram, the three Service Chiefs and the three Secretaries in the Defence Ministry together for some time to discuss the areas of cooperation.

Threat perceptions: Then the Chief of the Army Staff, General K. Sundarji, will give Mr. Weinberger a detailed presentation of India's threat perceptions with the necessary maps and charts to drive home the point how the U.S. arms aid to Pakistan was affecting the country's

security environment. It will be followed by an equally outspoken presentation by the Scientific Adviser, Dr. V. S. Arunachalam, on India's technological capabilities and requirements in the field of research and development of weapon systems and defence production.

It has become an established practice to give such briefings to high-ranking official visitors from the U.S. including senior Senators and Congressmen to explain why India is concerned about the flow of American arms into Pakistan. But this presentation is being done on a bigger scale to acquaint Mr. Weinberger with the latest military balance in the sub-continent before the new U.S. arms aid package gets into the supply pipeline.

The composition of the U.S. delegation accompanying Mr. Weinberger is an indication of the Reagan Administration's desire to establish a parallel relationship with India in the technological sphere. But it remains to be seen whether the U.S. is going to do anything to allay India's more immediate concern over the increased flow of American arms which could be used against this country as was done during the previous conflicts.

Indo-U.S. Cooperation Studied

Bombay THE TIMES OF INDIA in English 6 Oct 86 p 8

[Editorial: "Up in the Air"]

[Text]

The forthcoming visits of top U.S. defence officials, beginning with the arrival of the defence secretary, Mr. Caspar Weinberger, on October 11, are designed to pave the way for Indo-American collaboration in the production of a light combat aircraft (LCA) for the Indian Air Force and other Defence equipment. It is, however, still far from clear whether they will assume the role of helpers, high pressure salesmen or a bit of both. Military hardware is expensive but it usually carries a "political" price tag. Thus the U.S. has found ways of supplying a good deal of sophisticated equipment to Pakistan under its continuing military aid programme at cut rates. India itself buys a lot of it from the USSR at about 40 per cent of the prices it may have to pay if it were to import comparable hardware from Europe; what is more, the Russian supplies are financed by soft loans repayable in rupees. Since the early eighties, however, New Delhi, in its wisdom, has been deliberately over-riding the price factor in order rapidly to diversify its sources of arms supply, though it cannot be said that in all such deals the cost has been totally ignored. This apart, the Union government is obviously hoping that Indo-U.S. collaboration to develop the LCA will open the door for other high-tech imports from the U.S.—super-computers, for instance—on acceptable terms and that Pentagon will remove its usual restrictions on the transfer of technology, the supply of spare parts or the end-use of whatever wherewithal it sells to India for the LCA itself. But whether this will actually happen is still up in the air. Despite the purchase

of Jaguars from Britain and Mirage 2000s from France. IAF's dependence on Russian warplanes is still heavy and President Reagan is obviously keen that the U.S. too should make a perceptible dent into it. Towards that end, he has forced his administration to license General Electric and Northrop Corporation to export the engine and composite metals as well as fly-by-wire technologies for India's LCA programme. But this by itself settles nothing.

Regardless of the eventual outcome of the Indo-U.S. negotiations, it is plain that the government's plan to produce an advanced combat aircraft mainly with indigenous effort has received a decisive setback. It now seems keen to import all the key elements of the LCA—the engine, the composite metals for the airframe and the avionics—at least to start with. That the LCA project has slipped badly due to the personality clashes that led last year to the resignation of two key men in charge of the programme is no secret. But the wisdom of virtually giving up a project on which so much money, time and talent has already been invested is, to say the least, questionable. Besides, there are few strings attached to the transfer of technology for the production in India of the latest in the family of Russian MIG aircraft, which still form IAF's mainstay. Indeed, MIG 29s are to be procured specifically as a back-up for LCA. In the circumstances, New Delhi's decision to scout elsewhere for similar equipment can only do more harm than good.

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CSO: 4600/1110

INDIA

DEFENSE CIRCLES CONCERNED OVER SHARING OF GRAVITY DATA

New Delhi PATRIOT in English 8 Oct 86 p 5

[Text]

Leakage of militarily sensitive gravity data from the country particularly relating to the Himalayas is causing jitters in defence circles, reports PTI.

There is concern about the security implications of sharing India's gravity data with other nations because its information is a crucial input for the guidance of ballistic missiles accurately to their targets.

Simply stated, anyone wanting to aim ballistic missiles at military targets in India must know in advance the gravity profile along the entire path of the missile to make a direct hit.

Defence experts say that Indian scientists collecting and sharing gravity data under the garb of international collaboration may be unwittingly helping the missile programme of foreign agencies.

When first built, Inter-Continental Ballistic Missiles (ICBM) were lucky to land within eight km of the target. Today they can land within a few hundred metres partly because of improved knowledge about earth's gravity field.

Gravity, the familiar force that makes apples fall from a tree, is also the principle force which acts on ballistic missiles during most of its flight to the target.

But the problem is that gravity varies from place to place due to variations in crustal densities and presence of geographical features like mountains. And these subtle variations must be known in advance for planning the trajectory of the missile.

Whether its warhead will hit or miss the target depends on how accurate are the gravity data fed into the

computer of the missile's inertial navigation system before its launch hundreds of miles away.

In fact, according to *Science* magazine, refined models of missile flight path based on improved gravity models "helped dramatically cut the CEP (Circular Error Probable) of the Minuteman-III re entry vehicle".

Because of its sensitive nature, the Soviet Union never publishes the absolute values of gravity, and detailed gravity map of the United States is a classified information.

"On the contrary, Indian gravity data has become world property", scientists say.

More than 16 years ago, scientists from the US University of Hawaii brought their gravimetres and measured gravity values at 32 Indian airports in a collaborative project with the Survey of India (SOI).

Gravity data collected by SOI and the Oil and Natural Gas Commission (ONGC) have been passed on to the US by the National Geophysical Research Institute (NGRI) in Hyderabad under Indo-US exchange schemes.

NGRI sources said that an American professor who spent a year at the institute took with him digitised data obtained from deep seismic sounding that contained not only the gravity profile of the country but seismic profile as well.

And sometime ago, ONGC scientists were surprised to find classified gravity data pertaining to the Himalayas in the magnetic tape of a foreign scientist.

The scramble for gravity data "at close intervals over the entire globe" is due to the fact that accuracy of ballistic missiles is presently limited not by technology, but by inadequate knowledge of earth's gravity field.

According to Mr K Garber of Draper Laboratory, which makes inertial navigation systems for American ICBMs, "further advances in inertial navigation performance cannot be made without a solution to the gravity problem".

Gravity is measured on ground using plumbines or gravimetres. Global survey with plumbines will take years, so gravity mapping on ground is supplemented by special geodetic satellites in space.

Space-based gravity models are updated everyday through theoretical computations and observing the tell-tale, gravity induced variations in trajectories of low orbit satellites.

International collaboration has been the main route for collection of global gravity data for the ICBM programme as was revealed in a US Congressional testimony in which Pentagon scientist Job Walsh admitted that missile/accuracy was being improved continually "by research the whole world is doing in the field of gravity".

Gravity surveys under international projects are carried out for the ostensible purpose of locating mineral resources and studying the shape of the earth (geodesy). "The best thing to do", said one defence expert, "is to avoid collaborations".

This warning has come in the wake of attempts by foreigners to collect gravity data from the Himalayas whose undulating mountains drastically change not only the value but also the direction of gravity.

Gravity on earth surface varies from 978 Gals (a unit named after Galileo) the equator to about 983 Gals at the poles. A change as small as a thousandth of a gal can foul up a missile's accuracy and, in the Himalayas, gravity varies by as much as 100 milligals per 1000 metres of mean elevation.

Neither theoretical computation, nor mapping from space has helped to resolve the immense gravity variations in the Himalayas to a precision needed for programming ICBM trajectories over the mountains, experts point out.

But this problem will hopefully be resolved thanks to a collaboration of the Wadia Institute of Himalayan Geology (WIHG) with the University of Ohio and the National Aeronautics and Space Administration (NASA) of the United States.

The collaborative project — supported by the Department of Science and Technology (DST) and the Council of Scientific and Industrial Research — aims at producing an accurate map of Himalayas showing gravity anomalies at close spacings of one degree, according to the project report.

NASA has already prepared a gravity map of the Himalayas based on satellite data said Dr J Bhattacharya Chief Investigator of the project at WIHG.

/9274

CSO: 4600/1107

INDIA

BRIEFS

INDO-SWEDISH TRADE PACT--New Delhi, 7 Oct (UNI)--India and Sweden today decided to draw up a long-term integrated product development and marketing programme. This was one of the main points of the protocol signed between the two countries at the end of the five-day session of the Indo-Swedish joint commission. The leaders of the two delegations--the industry minister, Mr. N. D. Tiwari, and the Swedish vice-industry minister, Mr. Rolf Annerberg,--signed the protocol with envisages increased bilateral co-operation in trade, industry, science and technology and energy. Sweden agreed to help India in environment protection efforts and undertake a geo-morphological study in the sub-Himalayan region. Certain high technology areas in which Sweden could help India were identified. They include telecommunications, air and rail transportation and energy conservation. Sweden was interested in associating with India's Antarctic expedition and collaborating in ocean development programmes. [Text] [Bombay THE TIMES OF INDIA in English 8 Oct 86 p 13] /9274

INVITATION FROM SOVIETS--New Delhi, 7 Oct--The Soviet Union might open its doors to Indian film-makers, according to Mr Piotr Kostikov, deputy chairman of the state committee of the USSR for cinematography. Mr Kostikov, who is leading a film delegation to India, said the Soviet Union was keen on improving exchange of visits by film-makers of both countries. So far, India and the Soviet Union have co-produced films with mixed cast and production units. It was pointed out to Mr Kostikov that the format of popular films was different in the two countries. Song and dance sequences were an essential part of Indian films and the treatment of characters was different. Therefore, quite often a co-production was neither Indian nor Soviet in its character. Mr Kostikov, asked whether his country would allow Indian film-makers to make films for Indian audiences, said: "Where is that brave director?" and added that the Soviet Union would readily extend all facilities to Indian film-makers. It was pointed out to Mr Kostikov that most Indian film-makers were under the impression that the Soviet Union was a closed country. Though they travel all over the world to shoot their films, they have not thought of going to the Soviet Union. He replied that he would like to dispel this impression. [Text] [Bombay THE TIMES OF INDIA in English 8 Oct 86 p 20] /9274

LOK SABHA BYELECTIONS--New Delhi, 6 Oct (UNI)--Five Lok Sabha and 34 assembly by-elections are expected to be held in November this year in 14 states, election commission sources said today. Parliamentary by-elections are due in Sasaram (SC) and Banka in Bihar, Raichur in Karnataka, Sangli in Maharashtra

and Bhiwani in Haryana. However, the Haryana chief minister, Mr Bansi Lal, is yet to resign from Bhiwani from where he was elected to the Lok Sabha. As many as 34 assembly by-elections are due from 13 states, including four from West Bengal. [Text] [Bombay THE TIMES OF INDIA in English 7 Oct 86 p 12] /9274

PACT WITH FRG--New Delhi, 6 Oct--The Government of India and the Federal Republic of Germany today entered into an agreement to monitor its water and air sources. Under the agreement India will receive Rs 1.58 crores worth of highly-sophisticated laboratory equipment from the FRG. Additionally, the FRG will provide long-term consultancy extending over a period of three years and short-term consultancy for a period of 6 months. West Germany has agreed to train 16 scientists from four regional laboratories at Delhi, Baroda, Bangalore and Calcutta for six months for the purpose. A batch of eight scientists are already in the FRG since August. Under the project these laboratories will be strengthened with the equipment received from the FRG. The equipment will be provided to the State Pollution Prevention and Control Board laboratories at Bhopal, Jaipur, Guwahati, Punjab and Ahmedabad. Two mobile vans will be used to augment ambient air quality monitoring facilities. The chassis of these vans will be manufactured in India and the equipment will be installed by consultants from the FRG. The German consultancy, besides helping in installing these sophisticated equipment, will help in operating and maintaining them for some time. [Text] [Calcutta THE STATESMAN in English 7 Oct 86 p 13] /9274

GUNS FROM SWEDEN--New Delhi, 5 Oct--India has received the first lot of the 155 mm guns from Sweden. After completion of the initial deliveries, India proposes to set up a plant for manufacture of the guns under licence from Bofors of Sweden, according to authoritative sources. The guns, with a range of 30 km were stated to be of the value of a several crores of rupees. The order includes sub-contracts for fire control systems, tow vehicles and ammunition. Negotiations are also on to acquire the French GCT 155 mm self propelled guns to match the ones the U.S. had given to Pakistan. India is seeking transfer of technology from France for the guns, the sources said. [Text] [Madras THE HINDU in English 6 Oct 86 p 9] /9274

COAL RESERVES FOUND--Calcutta, 5 Oct (UNI)--The Geological Survey of India (GSI) has struck huge coal reserves of 2,343 million tonnes in five states recently. Orissa records the maximum reserve of 925 million tonnes, followed by Madhya Pradesh 636.50 million tonnes, West Bengal 536.31 million tonnes and Bihar 187.27 million tonnes, according to GSI sources. The GSI has also located 7.57 million tonnes in the Godavari Valley coalfields in Andhra Pradesh. The apex investigative organisation for minerals and metals has identified a reserve of 475 million tonnes in the Kulda-Manoharpur/Gopalpur sector in the Ib river coalfields and another 450 million tonnes in the Chendipada-Bada-Telesingha sector in the Talcher coalfields area in Orissa. Reserves have been located in Madhya Pradesh's five coalfields, Sohagpur, Ramkola-Tatapani, North-Raigarh, Mand-Raigarh and Hasao-Arand. Of the 586.31 million tonnes of estimated reserves in West Bengal, the Raniganj coalfields account for 437.43 million tonnes. The rest has been found in Birbhum coalfields. [Text] [Calcutta THE TELEGRAPH in English 6 Oct 86 p 7] /9274

CSO: 4600/1112

IRAN

MUSAVI, SUDAN MINISTER DISCUSS TRADE, SUPPORT

Musavi's Statement

Tehran KEYHAN in Persian 31 Aug 86 p 2

[Text] Yesterday during a meeting with the minister of energy and mines of Sudan, Engineer Musavi, the prime minister, while stressing the significance of the expansion of economic, cultural, political and other international related issues between Iran and Sudan also supported the stance of that government versus the insurgents of the south Sudan.

While pointing to the necessary cooperation between the two countries in the economic and cultural areas, particularly in the petroleum and mines areas, he said: We are glad to hear that there are certain forces at work in Sudan who are planning to implement the noble Islamic precepts and in this regard we would like to help our Sudanese brethren. We think that your new government is faced with many new plots, the most sensitive of which is the movement against Islam and the territorial sovereignty of Sudan which has begun in the southern region of your country. We notice that in the plot of south Sudan the hands of Zionists and imperialists are at work and using our own past experiences we would like to tell you that the only way to withstand such movements is to rely on the people alone. Most certainly when you discuss implementing the religious laws and making a move toward realization of the Islamic precepts, all the people of Sudan and other Islamic countries will be willing to support you.

The prime minister added: The Islamic Republic of Iran considers all the issues pertaining to Islam as its own issues and so far as possible it is willing to help any and all Islamic movements and Muslim people throughout the world, and similarly it considers support of the Muslims as one of its duties.

While pointing to mutual planning for continuing future visits by the officials of both countries in order to further expand relations between the two nations, Adam Mahmud Musa, the minister of energy and mines of Sudan stated: Contrary to the policy of the former regime, as of the downfall of the Numayri's regime we have been seeking to expand our relations with the Third World nations.

He went on to add: We hope in the area of petroleum and mines and other economic fields to have expansive cooperation with Iran. Thereafter, Adam Musa pointed to the issue of Sudanese captives in Iran and said that the Numayri's regime was deceived by some Arab governments and as a result there are some captive Sudanese

in your country. While we condemn the former regime's move, we hope that you would resolve this issue appropriately.

In conclusion, he extended an invitation to our prime minister to visit Sudan and this invitation was accordingly accepted by the prime minister.

Meeting with the deputy foreign minister:

Adam Musa, the minister of energy and mines of Sudan who is visiting Tehran at the head of a politico-economic delegation, yesterday met and discussed issues of interest between the two countries with 'Ali Mohammad Besharati, deputy foreign minister.

Economic Cooperation

Tehran KEYHAN in Persian 1 Sep 86 p 2

[Text] Economic Service--At yesterday [Sunday] meetings between the Sudanese delegation and ministers of mines and metals, heavy industries, oil, economic affairs and finance and the supervisor of the Geological Institute of our country the procedure for economic exchanges was discussed and duly investigated.

According to KEYHAN's economic correspondent, Dr Musa Madibu, the minister of energy and mines and supervisor of the Sudanese economic delegation, yesterday afternoon carried out his second round of talks with Engineer Ayatollahi, minister of mines and metals and supervisor of the economic delegation of Iran. During these negotiations the progress of oil, mines and metals, agriculture and that of political committees was investigated. Economic committees are busy preparing plans in the area of specialized services and training and other issues pertaining to trade, commerce and agriculture.

The political committee is also delegated to reopen the Sudanese embassy in Tehran before the visit of Mr Sadiq al-Mahdi, prime minister of that country. At the end of yesterday's visit, the economic officials of the two countries expressed their satisfaction with the results of the work of the aforementioned four committees.

According to this report, at yesterday's meeting between Dr Madibu and Engineer Behzad Nabavi, minister of heavy industries it was decided that the specialized delegations of the two countries should have an annual meeting to determine Sudan's heavy industries needs.

At this meeting, Engineer Behzad Nabavi announced that Iran was ready to extend industrial and technical, particularly any assistance in the area of heavy industries to Sudan.

Likewise, the economic delegation of Sudan met with Aqazadeh, minister of petroleum. At this meeting it was decided that technical and specialized Iranian

delegates from the Ministry of Petroleum would travel to Sudan to carry out oil research, while at the same time a Sudanese oil experts group would visit Iran to acquire necessary training through the Ministry of Petroleum of Iran. Similarly, at this meeting it was agreed that Iran will provide a portion of future oil needs of Sudan.

Another report indicates that yesterday the supervisor of the Sudanese economic delegation paid a visit to Iravani, the economic affairs and finance minister of Iran. At this meeting, the method of repayment of Sudan's debt to Iran was discussed and it was decided that a proper specialized delegation from the two countries should present a suitable solution after necessary investigations.

Also, Dr 'Abd-al-Majid, director of Sudan's Geological Institute and member of the economic delegation of that country, visited various departments of our country's Geological Institute.

After a meeting of the two directors of geological institutes, it was decided that a delegation of expert geologists from our country should visit Sudan after proper approval from our responsible officials.

12719

CSO: 4640/12

IRAN

PROGOVERNMENT JOURNAL ASSERTS STRATEGIC ARMS INDEPENDENCE

Tehran KAYHAN AL-'ARABI in Arabic 29 Sep 86 p 10

[Article: "Our Armed Forces Are Fighting with Locally Manufactured Materiel"]

[Text] When the first missile of the forces of Islam fell on the Iraqi city of Kirkuk and hit the oil processing plants there, and was then followed by another Iranian ground-to-ground missile on the city of Baghdad, the earth shook beneath the feet of Aflaq's followers and the Baghdad hangmen's anxiety and fear over what his grace Hojjatoleslam Rafsenjani has declared, that these missiles were 100 percent Iranian made and that advanced types would be produced in the near future, increased.

This was the situation when most foreign journalists confirmed that the recent missiles which fell on Baghdad were so much more powerful in their explosion and more destructive than those which preceded them that the most recent missile's radius of destruction came to 7 kilometers, which shows the truth of the claim the imam's representative to the higher defense council made.

In support of Sheikh Rafsenjani's statement, the Islamic Republic does not rely on one system in its missile manufacture; in this field, it is considered to be in the second or third rank among missile producing countries in the world and is on its way to manufacturing submarines and other advanced weapons.

We find that the Iranian army, which in the defunct royal era depended on foreign countries for the supply of its most modest arms and spare parts requirements, has now progressed in the area of arms and materiel production and design to an advanced stage which the president speaks about by stating "The Iranian army is passing through a stage of testing strategic arms." One should bear in mind that the Islamic Revolution Guards have succeeded in manufacturing hand grenades and mortars, have reached the stage of self-sufficiency and have started producing complex guided anti-tank missiles.

Development in the air weapons industry has reached a stage where innovators managed to bring down an Iraqi MiG-25 airplane, which flies at an altitude

of 70,000 to 80,000 feet over Tehran, when they fired rockets which they had manufactured themselves at it.

Most of the advanced F-14A aircraft are repaired and outfitted in Iran, and hundreds of delicate, sensitive spare parts for these fighter aircraft are manufactured inside the country by Iranian engineers and experts.

Armored troop carriers are now being manufactured by Iranian specialists in an advanced fashion which is competitive with their foreign equivalents.

With respect to materiel, all the materiel used in the armed forces of the Islamic Republic is manufactured inside the country.

In fact, the economic and military embargo the forces of international arrogance have imposed on the Islamic Republic in order to satisfy the puppet Iraqi regime has become a motive by which our workers, technicians and engineers have got down to work and increased their determination to reach the stage of self-sufficiency and fail to rely on the forces of international arrogance for the provision of the weapons needed to defend the Islamic nation.

11887

CSO: 4604/1

IRAN

NONOIL IMPORT, EXPORT STATISTICS REVIEWED

Tehran KEYHAN AL-'ARABI in Arabic 29 Sep 86 p 10

[Article: "A Tangible Increase in the Level of Non-Oil Exports"]

[Text] The Islamic Republic's Department of Customs has issued statistical tables showing the high level in non-oil commodity exports which has been reached in the last 4 months and its comparison with the corresponding period of last year.

In the table below, which refers to the level of Iranian foreign trade from 1979 to this year, we can note that the level of exports, in terms of weight and value, rose relative to last year by 36 and 80 percent, since it came to 114,000 tons in 1985, while it totalled 156,000 tons this year, and its value increased from 9.9 to 17.9 billion rials during this year.

Year	Exports				Imports			
	Weight in Tons	Value in Rials (Mil- lion)	Rate of Increase Weight	Value	Weight in Tons	Value in Rials (Mil- lion)	Rate of Increase Weight	Value
1979	235	15,417	--	--	3,340	206,408	--	--
1980	218	23,985	-7	55	4,573	326,495	36	58
1981	91	13,180	-58	-45	5,088	412,777	11	26
1982	82	8,241	-9	-37	5,425	617,677	6	49
1983	70	6,520	-14	-20	6,609	466,236	21	-24
1984	71	10,232	1	56	6,277	512,619	-5	9
1985	114	9,932	60	-2	5,017	341,304	-18	-33
1986	156	17,976	36	80	4,353	283,931	-14	-16

The level of exports gradually dropped from 1979 to 1983, then proceeded to improve up to this year. This reaffirms the development and prosperity of the economy.

Commodities which began to be exported this year and were not exported in the past are cotton, canned foodstuffs, chemicals and organic pharmaceuticals.

Iranian rug exports account for an increase of 180 percent over last year, since their level came to 33.7 percent of total exports.

After Iranian rugs comes fresh fruit, which accounts for 15 percent of total exports. Its share has increased 15 times over last year and revenues from it have increased by 2.6 billion rials.

The export levels of detergents, soap, wool and means of transport also rose while the export levels of shoes, ready-made clothes, thread, stones for earrings and lead declined.

In the past 4 months of this year, the total value of the commodities exported came to the following, in rials: rugs, 6.06 billion rials, fresh fruit, 2.6 billion rials, different types of skins, 1.5 billion rials, and pistachios and nuts, 1.4 billion rials.

The Bandar Abbas, south Tehran, Bushehr, Jolfa and Mehrabad customs offices occupied the main positions in the list of export commodities.

11887

CSO: 4604/1

IRAN

MONTAZERI: CONTROVERSIAL, ALONE IN LIBERALIZATION EFFORTS

Paris LE MONDE in French 21-22 Sep 86 pp 1,4

[Article by Jean Gueyras]

[Text] The matter of the succession to Imam Khomeiny was settled, theoretically, last December when the commission of experts impa-
neled to determine who should succeed the aging leader "recom-
mended" Ayatollah Montazeri as the best choice to fill the covet-
ed post of crown prince.

That decision was instantly challenged by a number of clerical
circles which decried it as a forcible takeover that would sub-
vert the provisions set forth in the constitution. The obvious
goal was to put a damper on the covert struggle for power that
for almost 3 years, has set clerical factions at each other's
throats in anticipation of their leader's demise. Even so, one
must admit that, almost 9 months after the election, the rifts
within the Tehran government, far from healing, have been exa-
cerbating.

Late in July, Imam Khomeiny actually had to intervene publicly and
order both sides to stop their squabbling. "There are some
whose only thought is to destroy their rivals, and who care not at
all for the fate of Islam," he said, threatening to take stern
measures against any who refused to fall into line, even should
they be members of his entourage or his own family. He could
hardly have made it clearer that he was referring to the activi-
ties of his son, Ahmed, who apparently plays a particularly ener-
getic part in fomenting the current polemical storms.

The Imam's warning underscores the partial failure of the desig-
nated successor who, despite his best efforts, has not yet com-
pletely secured his authority nor imposed his views on those who
share real power in Tehran. Specifically, Ayatollah Montazeri
has failed to do what he most wants, to wit: to set a more libe-
ral course for the Islamic regime. He was among the first to grasp
the fact that the Islamic Republic needed to improve its image,
to expand its foreign alliances, and to strengthen its domestic
support. Now he has returned to the offensive, once again, calling
on Iran's leaders "to show a little more kindness toward the people,
a little more tolerance for the right to differ."

"Above all else," he said, "we must stop seeing conspirators and revolutionaries under our beds."

Everyone in Iran knows that Ayatolla Montazeri wants a more open Islamic society that would give the "moderates" a place in government, as part of a loyal opposition. The Movement for the Liberation of Iran (MLI), headed by Medhi Bazargan, who first presided over the government of the Islamic Republic, and who, since his ouster from office, has led the liberals, was the obvious choice for the role of moderator. Under constant harassment from the "hard-liners" who banned him from the Republic, the little group of Barzagan's friends, around the end of April 1986, tentatively resumed some of its overt activities, thanks to discreet protection from Ayatollah Montazeri. That token of good will was not proof against the vindictiveness of the extremists who, on 15 May 1986, forcibly broke up an MLI ceremony at Behechte cemetery, one of the holy places of the Islamic Republic, marking the 25th anniversary of the movement's founding.

None MLI leaders, including Varzagan and one of his top deputies, Sahabi, aged 82, who had come to pray at Taleghani's tomb, were kidnaped under the very noses of the police and carried off to a ruined castle 30 kilometers down the Tegrans-Qum road; there they were held for hours and severely manhandled before they were let go. The Interior Ministry and the forces of law and order were amazingly unsympathetic.

The Offer that Died a-Borning

The perpetrators of this outrage, in all likelihood Hezbolla goons in the pay of Deputy Hadi Gaafari, infamous for his verbal excesses and his brutal methods, loudly hooted and jeered not only Barzagan and his friends, but also the prime minister, Mir Hossein Moussavi. Furthermore, it was at the personal request of the "Imam's Crown Prince" that Moussavi, in April, invited selected political exiles to return to Iran, with assurances that none of them would be prosecuted or pressed into service against their will. Paradoxically, that attempt at reconciliation died a-borning, at the hands of the procurator of the Revolution, hodjtoleslam Khoeniha, who rose to inveigh against that invitation, and to anathematize exiles as "the dregs of traitors and criminals." This religious dignitary is, theoretically at least, along with the prime minister, on the side of the "supporters of the Imam's line," who favor economic reforms on behalf of the "mostazafinas" (the disinherited). At the same time, however, he indirectly cast aspersions on Montazeri's support for Barzagan's movement, flatly stating that Barzagan and his friends were "degenerates," opposed to continuing the war, and concluding that they deserve no better fate than annihilation.

The ambivalence in the political posture of the Hodjatoleslam Khoeniha illustrates the difficulties in making clear distinctions among the arguments of the various and sundry warring factions within the government. That is why Moussavi and Khoeniha, whose economic views tend to converge, at poles apart at the political level. However, some of the leaders try to outdo each other in minimizing the importance and scope of this "fractionization" in the ranks of power. The all-powerful chairman of Majlis, Hodjatoleslam Rafsanjani, who considers himself above the brawling, said last June, in a widely publicized speech that there were only "two opposing factions and ideologies in the government, one favoring "an economy controlled by the government and the other "calling for a return to private enterprise with limited State control." In Rafsanjani's view, spokesman for both these factions, which he unthinkingly equates with the great traditional parties of the West, are sincere supporters of the Islamic system who bow to the rule of the majority within the institutions of the Republic.

That, however, is not the opinion of the daily RISSALAT, which has become the voice of the traditional religious right. In an interview curiously announced as granted on 11 June 1986 to "a special correspondent from LE MONDE," although none of our correspondents had been posted to Iran since March of 1984,—the Ayatollah Azeri Qomi, the new point man for the traditionalists, makes use of RISSALAT's editorial pages to get a hearing for a long list of differences between the two camps. In his view, the bones of contention are not confined to problems with the economy, as Hodjatoleslam Rafsanjani argues, but have just as much to do with the manner in which religion is interpreted, its attitude toward government, its approach toward education, the programs shown on radio and TV, foreign trade, the environment, and foreign policy. It would appear from this that the long list of dissent covers just about everything, or as near as no matter.

Ayatollah Azeri Qomi and his friends at the RISSALAT disagree with the Ayatollah Montazeri's argument that the two wings of government cannot reach any understanding and that one or the other of them is doomed to disappear, sooner or later. As a consequence, they have been demanding for months that the prime minister, "that dolt, who can't do anything right," must go.

Murky Business

In this incessant strife between the two factions, low blows go unpunished. In February of 1986, some 50 well-known public figures close to Behzad Navabi, Minister for Heavy Industry and known for his radical views, had five of his aides arrested, without one word about it in the papers. Shortly thereafter, the 50 people indicted were hauled before the Revolutionary Court, which was the tipoff that the crimes with which they were charged were exceptionally grave. We were also informed by unofficial sources

that they were accused of having mounted an attack on the session of the cabinet which, on 30 August 1981, had led to the death of the Chief of State, President Mohamed Ali Radjaï, along with his prime minister, David Bahonar. The charges at the time, seemed all the less unlikely in that, up until that point, the government had blamed the murders on the people's mudjahidin, which has never denied that the killings were its doing.

The right-wingers in the government exploited this murky affair in an effort to justify the arrest of Behzad Nabavi, one of its top-ranked bêtes noires. The minister for heavy industry owes his life to the intervention of Imam Khomeiny, who ordered a blanket coverup of the whole business.

Once again, the detractors of the government hoped to use Behzad Nabavi, Prime Minister Moussavi, and his "protector," Ayatollah Montazeri. And it was perhaps in order to bolster the constantly challenged authority of the latter that the commission of experts appointed to assure the succession saw fit to confirm solemnly and irreversibly, its "recommendation of December 1985, thereby officially designating Ayatollah Montazeri as successor to the Imam. To no avail: that consecration of the crown prince failed to silence the religious traditionalists who cast doubt on the title of Ayatollah Ozma (Grand Ayatollah) and on Montazeri's religious qualifications. On the other hand, it heightened the mistrust of the "machine men" solidly enconced in the various government institutions who take a dim view of the advancement of a personage whose reformist initiatives and habits of government are so far from their concept of orthodoxy.

Particularly revealing in this connection were the results of the 1 August local elections in Tehran with the defeat of Ayatollah Montazeri's hand-picked candidate, Hodjatoleslam Ahmadi who was trounced by former Interior Minister Hodjatoleslam Nateg Nouri. Nouri, a member of the right wing of the Islamic Republican Party, had enjoyed the full support of Rafsanjani, until then widely seen as one of the major allies of the Imam's crown prince-designate. As a matter of fact, since he was chosen by the commission of experts to assume the highly esteemed functions of successor to the leader, Ayatollah Montazeri bothers most of those who hold a share of power in Iran. The latter, at odds over solutions for Iran's problems, are at one over the desirability of clipping the successor's wings so as to make him more manageable when he rises to the supreme magistracy.

Paradoxically, Imam Khomeini, who did everything he could to insure that Montazeri would indeed be his successor for life, seems now to be dismayed by his protege's diatribes against the regime's immobilist bitter-enders among its leaders. The gentle barb he aimed last July at the press: "Hang on to your pens. Bear in mind that not everything need be put into writing, and that not everything need be published," seems to be targeted on the policy of openness and of the right to differ, for both of which Ayatollah Montazeri has made himself champion. Despite the honors due a future "guide to the Revolution" the Imam today is still just one man, alone.

IRAN

FREE FOOD PROGRAM TO START IN SISTAN, BALUCHESTAN SCHOOLS

Tehran KEYHAN in Persian 2 Sep 86 p 3

[Text] Zahedan--KEYHAN correspondent: As of the start of the new school year a free food program will be put into effect in the province of Sistan va Baluchestan.

The above statement was announced by Mohammad Khani, director general of education and physical training department of the Sistan va Baluchestan Province in a conversation with our correspondent. He further added: As of last year we have been pursuing this matter and with due consideration to the needs of this province and the positive outcome of such a measure, with proper perseverance and tenacity of the Ministry of Education, we hope--under the projected programs and assistance from other quarters--to be able to realize this issue as of the beginning of the new school year.

He also said: After many meetings and interviews we've reached the conclusion that one of the main factors for attracting students and encouraging them to continue their education is this same issue of free food program, particularly where this matter has been pursued accordingly. Fortunately, we've received proper instruction in this regard from the Ministry of Education, other relevant ministries and the office of the prime minister.

In continuation of his statements, the director general of the education department of the province of Sistan va Baluchestan while pointing to the imam's order regarding the schooling situation of the children of the martyrs said: In order to implement the decree of the nation's imam and with due respect to the regulations of the planning headquarters of the martyrs' children education/schooling, the general education department of the province has made every effort to provide the necessary services for the children of the martyrs. Similar to other areas of endeavor this department has made considerable efforts in close cooperation with the province's Foundations of the Martyrs and that of the Oppressed in order to establish 20 schools on various levels throughout the cities of Zahedan, Zabol, Khash, Saravan and Iranshahr. At present these schools are busy enrolling children of the martyrs and inheritors of the revolution, and God willing the school year activities of these schools will begin simultaneously with the other schools of the land as of the 23rd of September [start of the current school year].

12719

CSO: 4640/12

PAKISTAN

PRIME MINISTER LAUNCHES MAJOR RURAL HOUSING PLAN

Karachi DAWN in English 19 Oct 86 pp 1, 6

[Text]

SAMUNDARI, Oct. 18: Launching the seven-Maria free rural housing scheme near here on Saturday morning, Prime Minister, Mohammad Khan Junejo, said his government was committed to provide a place for shelter to every homeless person under its Five-Point Development Programme.

"I want every shelterless person to have a living place which he can call as his own and reside there with a sense of possession and peace of mind", he declared while addressing a colourful ceremony held for the grant of ownership deeds to the landless families in the Chak 453 GB, 11 kilometres from here.

The Prime Minister said the rural housing scheme was an important project initiated by his government and it would bring about significant changes in the social set-up all over the country.

Mr. Junejo congratulated the Punjab Government and Chief Minister Nawaz Sharif on taking the lead in the implementation of this scheme.

He said about one million residential plots would be given under this scheme in the Punjab alone, of these 0.3 million plots would be handed over to the deserving people during the current financial

year, he added.

The Federal Government would grant Rs. 300 million to Punjab for the implementation of the housing scheme, he said.

The Prime Minister's announcement was greeted with prolonged clapping and welcome slogans by the rural crowd from the nearby villages and habitations.

The Prime Minister told the audience that for the first time in the country's history, a party in power had given its development programme for the welfare of the masses, and was honestly striving to implement it.

The Premier said he had instructed the provincial governments to chalk out concrete plans under his Five Point Programme and fix their targets for construction roads, village electrification, expansion of educational facilities, supply of drinking water, etc., during the next four years.

These concrete plans would be ready very soon and the elected representatives of the people could make necessary changes in them after which work on these would start with full force.

The Prime Minister handed over ownership deeds to 66 persons of

the village on the spot. In all 155 plots have been prepared at the village state land for distribution among the shelterless families.

The Prime Minister directed the provincial government to start a girls inter college at Samundari as demanded by the local people. He also instructed the provincial government to consider their demand for constructing bridge at Shiraza Pattan on a priority basis under the next year Annual Development Programme.

The Premier announced a grant of Rs. 200,000 to the union council Kanjwani for the construction of roads.

FAISALABAD: The Prime Minister, attended the Valeema of Dr. Muhammad Shafique Chaudhary, a member of the National Assembly from Faisalabad, at Chenab Club here.

Punjab Governor, Makhdoom Sajjad Hussain Qureshi, Chief Minister, Nawaz Sharif, Federal Minister for Housing and Works, Saleem Saifullah, Federal Minister for Religious Affairs, Iqbal Ahmed Khan, Federal Minister for Local Government and Rural Development, Anwar Aziz Chaudhry, Federal Minister of State for Education, Mian Nasir Ali Khan Baluch, a number of provincial ministers and Syed Fakhir Imam, MNA and former speaker, National Assembly, other MNAs and MPAs were among those attended the Valeema.—APP

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CSO: 4600/34

PAKISTAN

BHUTTO SAYS PPP TO DEFY BAN ON PROCESSIONS

Karachi DAWN in English 19 Oct 86 pp 1, 6

[Text]

SUKKUR, Oct 18: Ms Benazir Bhutto, co-chairman of the Pakistan People's Party, has declared that the PPP would never tolerate a ban on political processions as is being contemplated by the authorities. If the government tried to impose such restrictions, she said her party would defy it.

In her speeches at Sukkur, Rohri, Panoakil and Ubauro and earlier addressing a crowded Press conference at Sukkur airport, Ms Benazir Bhutto accused the government of neglecting its prime duty of strengthening of the defence of the country at a time when there were reports of heavy concentration of Indian troops along our borders.

She also pointed out that several major issues including Siachen glacier remained unsolved. But she alleged that government officials and influential people were busy acquiring plots, lands, mills, factories and hotels at almost throw-away prices.

Ms Bhutto said her party could consider the question of holding a dialogue with the government only if the government agreed to the formula of holding mid-term poll. In that case, she said the government should prepare an agenda for the talks in consultation with all political parties.

Referring to the law and order situation in Sind, Ms Bhutto said that about one and half division army was deputed in Upper Sind alone, where it was "victimising"

the poor people of the province in the name of operation against dacoits. She demanded that the present government should resign forthwith as it had failed to maintain law and order properly in the province and provide protection to the life, property and honour of the people.

She reiterated that the PPP did not believe in the politics of revenge and assured the rulers that no revenge would be taken from any of them, but the national wealth looted by them would have to be returned to the nation.

Ms Bhutto said that the People's Party could force the government through public pressure to hold elections within the autumn dead line, but she did not want any bloodshed. Already, she added, 40 workers of the party were killed and the government seemed to be bent on using force against the people if they came out and demanded elections. She withdrew

the demand for elections in autumn, simply to avoid bloodshed.

Referring to the PNA movement, Ms Bhutto said that only four persons were killed in the struggle for fresh elections, but her father late Zulfikar Ali Bhutto did not hesitate to agree to hold negotiations with the opposition for fresh elections. She added that an agreement was also reached between late Mr Zulfikar Ali Bhutto and the PNA for fresh elections, but some "fortune seekers occupied by force the seat of government."

About the present setup of the government, Ms Benazir Bhutto said that the Prime Minister did not trust the President and the President had no trust in the Prime Minister. Also, she added, the Prime Minister did not seem to be pleased with a Chief Minister, yet he could not do anything about it. To cover up all these contradictions, they were busy creating differences among the opposition political parties, she said.

PAKISTAN

NPP LEADER KHAR GRANTED BAIL IN BAGH CASE, REMAINS IN JAIL

Karachi DAWN in English 19 Oct 86 p 1

[Text]

OCTOBER 18: Mr Ghulam Mustafa Khar was granted bail by the Additional District and Sessions Judge, Rawalpindi, on Saturday in the famous Liaquat Bagh firing case.

He, however, will remain in jail for his involvement in other cases. Mr Khar, an NPP leader and a former Governor of Punjab, had filed the bail application, through attorneys on Sept 9, and is currently lodged at Faisalabad prison.

After a number of hearings, the court had reserved judgement on the application on Wednesday last, and announced it on Saturday. Mr Khar was not produced before the court during any of the hearings.

Most of the co-accused in the case are already on bail. The hearing of the Liaquat Bagh firing case will be resumed on Nov 8.

Disagreeing with the prosecution's contention that Mr Khar was an absconder the Judge observed that he could not be termed an absconder in the strict sense (APP adds).

It was also a case of further inquiry, he added.

Mr Khar was taken into custody on August 30 by police at Karachi Airport on return from 9-year self-exile in the United Kingdom.

During his absence abroad several cases both in military and civil courts had been instituted against him on various charges including the famous Liaquat Bagh firing case.

He was sentenced in absentia by a military court and his property was ordered to be forfeited to the state.

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CSO: 4600/34

PAKISTAN

MINISTER SAYS GOVERNMENT TO NEGOTIATE ON SHARIAT BILL

Karachi DAWN in English 19 Oct 86 p 5

[Text]

OCTOBER, 18: The Federal Minister for Justice and Parliamentary Affairs, Mr. Waseem Sajjad, has said that the government will soon start negotiating with the movers of the private Shariat Bill and those organisationally behind them with a view to bringing about a consensus. But, in case an understanding is not reached, the government will be obliged to move its own bill to expedite the process of Islamisation. Talking to *Dawn* here on Saturday, the Minister said that the bill as it stood was not only in conflict with

the 1973 Constitution but also not practicable. However, the government would make all efforts to persuade the movers to suitable amend it. The objective would be to reach an understanding with the movers, he said. The government would not allow such a piece of legislation which could create social confusion.

Mr. Waseem Sajjad feared that the private bill would deepen sectarian schisms. Moreover, even a lowest court of a civil judge and a Naib Tehsildar would acquire power not only to question the val-

idity of laws enacted by Parliament, but also to make pronouncements of various laws of Shariah. As such, these courts would attain a position higher than that of the legislatures, he said. Such supraparliament status for courts of law could not be given in an Islamic and democratic country.

The Justice Minister said that it was in order to remove legal anomalies and ambiguities that the government wanted the private Shariah Bill to be amended so that it would become practicable. He said that the government sincerely wanted that the process of Islamisation to gather pace.

Commenting on Syed Fakhar Imam's view that the Ninth Constitutional Amendment had lapsed because it was not moved in the National Assembly after it was adopted by the Senate, the Minister said that the constitutional position was not so. Under Article 239 of the 1973 Constitution, the amendment procedure was self-contained and a constitutional bill did not lapse because of the lapse of time, he added.

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CSO: 4600/34

PAKISTAN

SCENARIO FOR INTERIM GOVERNMENT VIEWED

Karachi DAWN in English 19 Oct 86 p 7

[Article by Sultan Ahmed]

[Text]

THEY MAY call it whatever they like, but what many parties in the opposition want is a multi-party, if not an all-party, government to take over from the Junejo Administration expressly for the purpose of holding early general elections.

Most of them disapprove of the term mid-term elections as they do not hold the elections of February, 1985, as a general election. Not only they were non-party elections but also several of the rules of normal elections, as the need not to exceed the prescribed election expenses, were not observed. Election rules were changed at the last moment, ban on many political leaders contesting the elections lifted too late, with quite many continuing to remain in the forbidden list, and the need for producing ID cards by voters dispensed with at the polling stage, they argue.

Two offices

Political leaders also point out that those elected have been enabled to hold two vastly different offices simultaneously, as that of provincial Minister and Mayor of a major municipal corporation — Mr Ahmad Yusuf does that in Sind — as in the martial law years.

Mr Ghulam Mustafa Jatoi, who was earlier a strong advocate of the

national Government, now calls it an interim government as "I am being misunderstood." Air Marshal (Retd) Asghar Khan calls it a caretaker government and does Maulana Shah Ahmad Noorani and Nawabzada Nasrullah Khan.

Khawaja Khairuddin says that if other terms are not acceptable, let that be called an all-parties government.

Mir Ghous Bux Bizenjo, too, had earlier proposed an interim government, and Sardar Sherbaz Mazari would endorse that if that was feasible.

Two leaders not in favour of such a setup are Ms Benazir Bhutto and Khan Abdul Wali Khan. She fears, on the basis of past experience, that once such a government comes into being it may choose to stay on, forgetting its prime objective. And the squabbles within such a cabinet may take precedence over its avowed objective.

More like the proverbial mouse wanting to bell the cat, these parties want an interim government for the specific purpose of holding early elections to end what some regard as a transitory phase and others as an appendix of martial law rule, but who in authority is ready to concede that as that may mean their temporary or eventual abdication?

There are three interested parties on the other side — President Zia-ul-Haq, Prime Minister Junejo, and the National Assembly, Senate and provincial assemblies. Apparently all of them want to stay on where they are for the full

five years, and hang tough until 1990. Agreeing to an interim government of any kind now means resigning from that hardened position, and in case of Mr Junejo stepping down as Prime Minister. And the National and provincial Assemblies have to agree to an early death, which their members most certainly abhor.

If elections are held now on the basis of the 1973 Constitution, as demanded by the MRD parties, Gen. Zia will find it difficult to stay on in office after that. Even if he is not asked to quit his powers will be severely abridged under the 1973 Constitution and he will have to give up his real power base of Chief of Staff of the Army. He certainly cannot be welcoming such an eventuality if he can avoid that, and there is no irresistible compulsion on him to do what he does not like.

Basic questions

There are other basic questions in respect of an interim government. Under what constitution will it function; under the 1985 Constitution? Under that all the powers are vested in Gen. Zia, and the interim arrangement will not be much of a government. And as he is not likely to restore the 1973 Constitution instantly, will both parties agree to an interim working arrangement?

Even if Gen. Zia agrees to all that, which is unlikely without strong popular compulsion, why

will Mr Junejo, the Cabinet and the provincial Ministers and the assemblies agree to fade out so soon in what they see as purely a power game or political heavyweight boxing.

An interim or all-parties government would mean each of the major parties having one or two seats in that Cabinet. Now there are 35 Ministers and ministers of state at the Centre. Only a small number of them would be taken into an interim government. May be the same holds good for the provinces. Will all other Ministers agree to quit and then lose their Assembly seats as well as they may not do as well in a party-based election as they did in a non-party elections with the major candidates off the electoral arena?

Not all parties may be interested in joining such a government. And that holds good for the PPP as well. Since each party may not get more than one or two seats in the Cabinet they may not be interested in joining such a cabinet. Secondly, there can be splits within the parties over who should be nominated to the Cabinet. And parties not included in the Cabinet may agitate against the interim government. So the impediments to the formation of such a government are too many.

Prime reason advanced by Mr Jatui, and strongly endorsed by Maulana Noorani, is that this Government cannot be trusted to hold fair and free elections on party basis. There could be extensive rigging as the present Ministers may not be able to get themselves re-elected.

There can be widespread agitation against the outcome of the elections, resulting in the fourth martial law. Mr Jatui says that he wants to avoid all that at any cost.

A basic question is: should there be an interim government within the present assembly setup or out-

side that? Ms Benazir Bhutto is ready to use the assembly if that will help in the restoration of democracy peacefully and quick. Mr Jatui too wanted to use the assembly, but primarily to help the formation of an interim government prior to the elections. He argued earlier that a major bar to the formation of such a government was the ban on MNAs crossing the floor imposed by the Political Parties Act. He wanted that to be lifted. But neither Gen. Zia nor the Prime Minister is ready. But if a majority of MNAs would join him after the ban changing parties is lifted, he could as well persuade that majority now to amend the Parties Act as it needs only a simple majority, unlike a constitutional amendment. Evidently he does not have such a majority in the NA.

Hence he has lately spoken of an interim government outside the assembly setup. That means the NA would have to be dissolved. If that is done fresh elections would have to be held within 90 days. That means the life of the caretaker government cannot be more than 120 days, and not a year as earlier mentioned by some of its proponents.

Even if such a government comes up it has to be free of the cross-fire from Gen. Zia on one end and the parties which do not join it on the other. And it has to be scrupulous enough not to invite the charge of rigging the elections in favour of the candidates of parties within its fold.

NA sittings

While the opposition parties repudiate the legitimacy of the NA its own members are demonstrating their small regard for it by absenting themselves from the NA too of-

ten. So the sittings of the NA begin too late for want of quorum or get adjourned too early, and as the members get weary of even the brief sessions their duration remain short.

The government on its part is helping in such outrageous absenteeism by asking the legislators to set up public projects of their own at a cost of Rs 50 lakh provided by it. So such pre-occupations necessarily keep them away from the NA too long. This certainly is not the way effective representative organs function in a developing country.

The mutually conflicting details of an interim government apart, and its disfavour by the PPP, the basic question is: Will Gen. Zia agree to that without any compelling reasons to do that? When he is not ready to give up the post of Chief of Staff, which he has held for the last 10 years, will he now accede to what seems him to be the block buster demand of the Opposition?

If Gen. Zia wants to order fresh elections he can do that on the basis the government has not been able to cope with the problems of law and order, the increasing crime and the widespread corruption which are eating into the vitals of the country. Ms Benazir Bhutto alerts the country of the Bangladesh-type situation developing in Sind. And the debate in the NA and Senate showed how concerned were their members over the failure of the government to cope with the pervasive crime and soaring corruption.

Even Interior Minister Aslam Khattak has been forced to admit that the law and order situation in Sind is bad. All that demands change, major changes with national consensus that can make the government and the people move in the same direction — and not in opposite directions.

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CSO: 4600/34

PAKISTAN

SITUATION IN SIND TERMED 'DANGEROUS'

Karachi DAWN in English 19 Oct 86 p 8

[Text]

KARACHI, Oct 18: Mr Hussain Haroon, MPA, and former speaker Sind Assembly, on Saturday demanded political solution to the law and order problem in Sind, saying that it was not an administrative issue as was generally believed.

Addressing a Press conference here, he claimed the Sind Government had failed to control the situation.

He asked the Federal Government to take action against the top officials for their failure, and warned that the situation in the interior of the province had 'crossed

the danger mark.'

"Three divisions of the Army have been deployed to combat dacoits in thick forests," which proved that the presence of the Armed Forces in civil areas was inevitable," he said.

He said the civil administration was spending crores of rupees in the name of anti-dacoit operations, which was sheer wastage of public exchequer, he added.

He warned the people of "attempts aimed at destabilisation of the country" and also mentioned the biggest ever army manoeuvres of Indian army at Sind borders, with "live weapons". He urged the Federal Government to take note

of the situation, as, the provincial government was not capable of facing the situation and "the Sind Assembly had been forced to become a rubber stamp on the other."

He urged the citizens to ask the Chief Minister about the situation, and also about the alleged irregularities by the provincial government officials.

Mr Liaquat Jatui, MPA, also addressed the newsmen briefly. He made a reference to a rejoinder by two provincial ministers against him published on Saturday, and challenged them to substantiate their charges against him.

"Otherwise, they should allow me to prove the charges I have levelled against them," he said.

Mr Junaid Soomro, MPA, demanded enquiry into Sukkur jailbreak and alleged that top officials were involved in the incident. He further alleged that high officers of police and civil administration were protecting dacoits and also mentioned a few such events.

Qazi Shafiq, MPA, demanded that the enquiry into Thori crossing incident should be made public.

Mr Mumtaz Qaiser, MPA, referred to the unemployment in the province, and demanded lifting of ban on new recruitments imposed in January 1979, because of which eight to nine thousands posts were lying vacant only in Karachi. He also demanded increased educational facilities in the city and particularly in Landhi Korangi areas.

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PAKISTAN

BRIEFS

AMBASSADOR TO CUBA--The government has announced the accreditation of Pakistan's ambassador to Mexico, Abul Fazl, concurrently as Pakistan's ambassador to Cuba. [Text] [Karachi Domestic Service in Urdu 0200 GMT 21 Oct 86 BK] /12232

CHAMBER OF COMMERCE--Pakistan and the FRG have agreed in principle to open a joint chamber of commerce and industries aimed at promoting investment in Pakistan and assisting the opening up of industries through technology transfer. This was announced by Federal Minister for Industries Syed Zafar Ali Shah at a news conference in Islamabad today. He had led the Pakistani delegation to the conference in Cologne at the beginning of this month on investment by FRG industries in Pakistan. [Excerpts] [Karachi Domestic Service in Urdu 1500 GMT 19 Oct 86 BK] /12232

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